The China Weekly

REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

IN THIS ISSUE

Chiang Kai-Shek Returns to Communist Front---Madame Sun Yat-sen Reiterates Political Views

Seriousness of Sino-Japanese-Russian Relations

The Communist Prisoners at Nanking

America, China and Russia and International "Wheat" Politics

Flood-Famine Situation Most Serious China Disaster Since Fifteenth Century

The Boycott Against the Japanese . . . By C. Y. W. Meng

Shameen---the Foreigner's "Sanctum-Sanctorum" at Canton . . . . . By Edgar Snow

Hangchow Conference will Study Vital Pacific Problems . . . . . By Liu Yu-wan

Japanese-Owned Papers Lose Circulation . By E. U. Barung

The Problem of Hangchow's Water Supply By Tam Sai Fan

China's Crying Need for Electric Industry By M. S. Kwei

In the Fields of Finance and Reconstruction

The Chinese Language in Fifty Ten-Minute Lessons (Lesson No. 33) . . . By Prof. W. A. Scharffenberg

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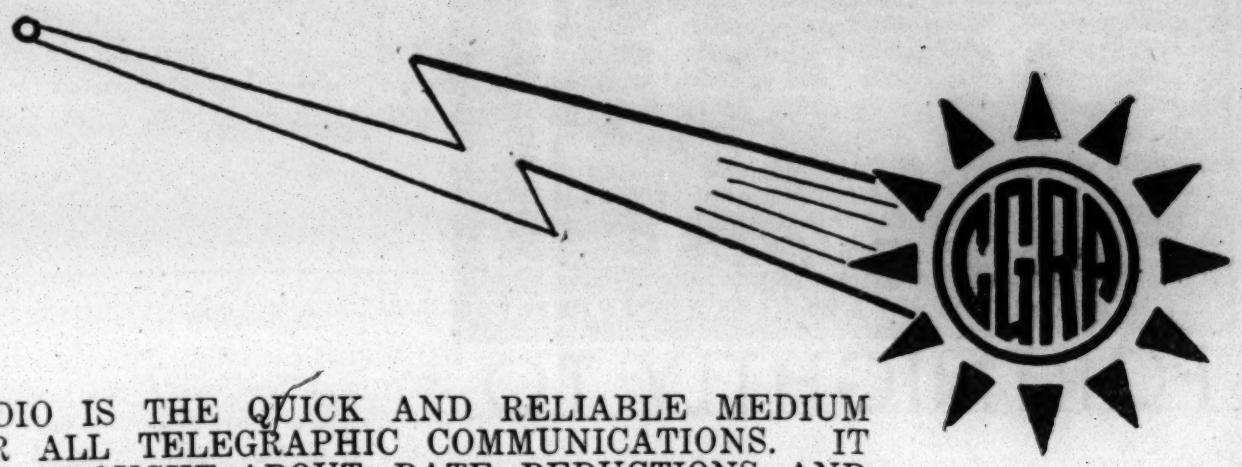

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The China Weekly REVIEW

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Registered at the Chinese Post Office as a Newspaper for transmission with special marks privileges in China.

VOLUME 57 SHANGHAI, CHINA, SATURDAY, AUGUST 29, 1931 NUMBER 13

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

Cable Address "REVIEWINGSHANGHAI"

PUBLISHED AT NO. 38 AVENUE EDWARD VII, SHANGHAI, CHINA, BY MILLARD PUBLISHING COMPANY, INCORPORATED BY THE LAWS OF THE STATE OF DELAWARE, UNITED STATES OF AMERICA.

J. B. POWELL, Editor and Publisher; GEO. W. MISSEMER Asst. Editor; HOH CHIEH-SHIANG, Asst. Editor; JOHN L. SCHENG, Advertising Manager; ROY P. MACNAIR, JR. Assistant Adv. Manager; F. K. CHAO, Business Dept.

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YEARLY SUBSCRIPTION, FIFTY-TWO ISSUES, TWELVE DOLLARS (CHINESE CURRENCY) IN ADVANCE. POSTAGE INCLUDED IN CHINA AND JAPAN. IN THE UNITED STATES AND FOREIGN COUNTRIES TEN DOLLARS U. S. CURRENCY. REMITTANCE FROM OTHER COUNTRIES THAN CHINA AND THE U. S. CAN BE MADE BY INTERNATIONAL MONEY ORDER. ENTERED AS SECOND-CLASS MATTER IN THE CHINESE POST OFFICE AT SHANGHAI IN MAY 1917.

Contents

Editorial Paragraphs

Seriousness of Sino-Japanese-Russian Relations 489
The Communist Prisoners at Nanking 491
America, China and Russia and International "Wheat" Politics 492
Flood-Famine Situation Most Serious China Disaster Since Fifteenth Century 495
Chiang Kai-Shek Returns to Communist Front—Madame Sun Yat-sen Reiterates Political Views 499

Special Articles

The Boycott Against the Japanese.....By C. Y. W. Meng 501
The Problem of Hangchow's Water Supply ..... By Tam Sai Fan 502
China's Crying Need for Electric Industry By M. S. Kwei 503
The Chinese Language in Fifty Ten-Minute Lessons (Lesson No. 33)..... By Prof. W. A. Scharffenberg 505
Shameen—the Foreigner's "Sanctum-Sanctorum" at Canton.....By Edgar Snow 506
Hangchow Conference Will Study Vital Pacific Problems .....By Liu Yu-wan 508
Japanese-Owned Papers Lose Circulation. By E. U. Parung 512
In the Fields of Finance and Reconstruction 514
Men and Events 518
New Books of Interest in the Far East 520
Who's Who in China 522
What the Ships Carry between America and China .....

COMMUNICATIONS PERTAINING TO SUBSCRIPTIONS OR ADVERTISING IN CHINA OR ABROAD SHOULD BE ADDRESSED TO THE CHINA WEEKLY REVIEW AT 38 AVENUE EDWARD VII, SHANGHAI, CHINA. TELEPHONE 14741. CABLE ADDRESS "REVIEWING SHANGHAI."

CONTENTS OF PREVIOUS ISSUES OF THE CHINA WEEKLY REVIEW MAY BE FOUND IN THE "INTERNATIONAL INDEX TO PERIODICALS" COPIES OF WHICH ARE ON FILE IN MOST STANDARD LIBRARIES.

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SERIOUSNESS OF SINO-JAPANESE-RUSSIAN RELATIONS

IT is not necessary to go further than the reports which appear in the local Chinese and foreign newspapers to realize the serious nature of the relations of China, Japan and Soviet Russia, the three nations which are involved in the triangular conflict in northeastern Asia. A *Reuter* dispatch from Mukden on August 24 stated that the Chinese commission which had been dispatched to Korea to investigate the massacres of Chinese residents in the Japanese colony had returned to Mukden and reported that the number of Chinese killed was 140 with 118 seriously injured while the property loss amounted to $2,900,000. Of the 91,000 Chinese residents of Korea, more than 50,000 had been driven out of the country. The Chinese commission distributed Yen 40 to each family whose male members had been killed and Yen 25 to each of the seriously injured. The Ministry of Foreign Affairs at Nanking on August 24 issued its third protest to the Japanese Government concerning the anti-Chinese riots and the Wanpaoshan affair which refuted the Japanese expanations of the incidents and showed "by an array of marshalled facts" that the killings resulted from Japanese police negligence. The Chinese Note demanded a formal apology, full compensation for damages suffered by Chinese residents and punishment of those responsible.

As a direct result of the massacres of Chinese in Korea there have been a number of further incidents indicating the critical nature of Sino-Japanese relations. For several days the Japanese papers have been publishing reports of the so-called Nakamura murder case, stating that Captain Nakamura Shintaro of the Japanese army had been murdered by the Chinese military somewhere in the interior of Manchuria. Details of the incident are lacking but according to allegations in the Japanese newspapers, Captain Nakamura was killed by Chinese soldiers who invaded a Chinese hotel where he was living, following which his body was incinerated. Thus far there has been no Chinese explanation of the incident but the *Japan Chronicle* (British paper at Kobe) stated that the Japanese General Staff "was seething with indignation" and regarded the case as indicating the "glaring defiance of the Japanese army by the Chinese." Also there have been demands for "strong action" and serious criticism of the Japanese Foreign Office's

handling of the incident. As a result the Japanese General Staff sent a high officer to "watch the negotiations" with instructions to "step in when he sees signs of weakness in the attitude of the Japanese Foreign Office." A high Japanese military official was quoted to the following effect, "The Nakamura murder case has further stimulated the strong general attitude of the Japanese Army General Staff toward Manchuria and Mongolia....The Chinese authorities in Manchuria and Mongolia are so anti-Japanese that there is no room whatever for the settlement of such issues in a spirit of mutual accommodation, hence the only alternative left open for Japan is to resort to the final step for their solution. To avoid this extreme step means to abandon Japan's 'rights and interests' in Manchuria and Mongolia."

In addition to this incident, the Japanese *Rengo* service reported on August 23 that a band of Chinese armed bandits invaded the home of a Japanese farmer named Jenji Kobayashi near Haicheng and after robbing the house carried the Japanese farmer away. The Japanese newspapers again demanded "strong action," as a result of this incident, but the Chinese official *Kuomin* service on August 19 declared that these affairs were the result of the "overbearing" attitude of the Japanese in Manchuria, an example of which was provided on August 18 when some 100 Japanese soldiers "indulged in target practice right in the middle of a populous district in the Huangkutun region." Of greater significance, however, was an affair in Tsingtao which started in a squabble over the sale of a fish but finally ended up in free-for-all fight between Chinese and Japanese resulting, allegedly in many being killed and injured on both sides. The original reports by the Japanese *Rengo* service stated that a large number of Chinese had mobbed the headquarters of a Japanese "super-patriotic" organization in Tsingtao known as the Kokusui-Kai. The Japanese report alleged that some sixty Japanese were killed and injured, while the Chinese report claimed that nine Chinese had been killed and injured. The Chinese *Kuomin* service on August 21 stated that the Chinese wounded had been attended by a German physician and it was found that all the Chinese were suffering from wounds inflicted by "lethal weapons" which the Japanese carry in street parades "with the object of creating disturbances." Latest reports from Tsingtao tell of the lodging of protests by both sides, the Japanese demanding an apology by the Tsingtao municipal administration, punishment of those responsible, assurances against future incidents of the kind and indemnification for losses suffered by the Japanese. The Chinese demanded a joint-investigation of the incident, which the Japanese rejected. A dispatch by the *United Press* from Tokyo on August 21 quoted Admiral Abo, Japanese Minister of the Navy as declaring his intention to immediately dispatch Japanese gunboats "with all possible haste" from Port Arthur to Tsingtao. Further Japanese war-ships also were ordered to Tsingtao from Chefoo with instructions to stand by for "emergencies."

A later Chinese *Kuomin* dispatch from Tsingtao on August 24 gave a further explanation of the Sino-Japanese clash, stating while none was killed, the number of injured on each side exceeded a dozen. Practically all the Chinese suffered from knife wolnds while the Japanese only received a few bruises and scratches. The Chinese officials in Tsingtao have demanded plnishment of the culprits, formal apology and commpensation and dissolution of the Japanese "patriotic" society which was responsible for the trouble. The *Kuomin* report alleged that the real Japanese object was to provoke a serious situation which the Japanese military authorities might have used for the purpose of re-occupying Tsingtao.

THE SINO-SOVIET CLASHES

Recent Sino-Soviet relations closely parallel the reports pertaining to Sino-Japanese affairs. Several weeks ago the Soviet-officered Mongolian troops stationed on the border of the Barga district of Heilungkiang province, shot down a Chinese Government airplane operated by German pilots on the Sino-German Eurasia service between Nanking and the Chinese border at Manchouli. One of the German aviators was seriously wounded and both of the aviators and the plane were taken to Urga, the Soviet capital of Outer-Mongolia. Latest reports state that the Soviet court in Urga has sentenced the two German aviators to five years imprisonment and has ordered the plane confiscated. The Russians allege that the Chinese airplane had no permission to fly over Mongolian territory. Both China and Germany have protested to Moscow but to no avail. On August 20 *The Review's* correspondent at Harbin reported that a Soviet flotilla of ten gunboats, accompanied by Soviet bombing planes, had suddenly entered the mouth of the Sungari River at Lahasusu and opened fire on a number of Chinese cargo vessels which were anchored at the Chinese river-port. The motive for the action was not stated by *The Review's* correspondent, but a report from Harbin which was issued by the Chinese *Kuomin* service on August 20 alleged that the Russians were trying to prevent Chinese steamers from transporting soya-beans from Fuchin and Taheiho and other Chinese ports along the Amur and Sungari to Harbin. As a result of the Soviet action the Chinese have suspended all shipping on both the Amur and Sungari. Why the Soviet authorities should use their gun-boats to prevent Chinese cargo boats from operating on the Amur and Sungari Rivers and between ports located on Chinese territory along the border between the two countries is not known. It is known however, that bad feeling between the two peoples has existed along the border since 1929 when the Russians raided and burned most of these towns and massacred many of the inhabitants as a result of the Sino-Soviet crisis over the Chinese Eastern Railway. At the town of Lahususu, located on Chinese territory at the point where the Sungari empties into the Amur, the Soviet river flotilla attacked and practically destroyed the Chinese fleet resulting in the killing and wounding of several hundred Chinese sailors and marines.

According to a later report from *The Review's* correspondent in Harbin the action of the Soviet Government in firing on Chinese cargo vessels on the Sungari and Amur Rivers may have been the result of a controversy between the Chinese merchants and the Soviet director of the Chinese Eastern Railway over freight rates. As a result of what they considered exorbitant rates charged

by the railway, the Chinese merchants interested in the bean trade decided to boycott the railway and move their cargoes by steamer. The report stated that the Chinese merchants had made arrangement to ship 5,000,000 poods (one pood equals 36 pounds) down the Sungari and Amur to Habarovsk from which point the cargo was to be transported to Vladivostok.

A further cause of bad-blood between the two peoples along the border in recent months has resulted from Chinese charges that the Russians are "dumping" large quantities of Soviet products on the Chinese market. A *Kuomin* dispatch on August 20, which was also carried by the Japanese news services, alleged that the Russians had "dumped" more than $24,000,000 worth of their products on the Chinese North Manchurian market within the past six months. Chinese merchants, faced with bankruptcy and the monopolization of their markets by the Soviet state trading organizations, demanded that the Chinese Government place a customs embargo on Soviet products. The Chinese chambers of commerce in North Manchuria have also appealed to the Chinese chambers of commerce at Shanghai and elsewhere for support. And in addition to the reports alleging the "dumping" of general products, further telegrams from Harbin have told of Soviet plans for the construction of large oil storage tanks in that city by the Soviet state naptha trust, the object being to drive the American, British and Japanese oil companies out of that market. A report published in the *Shanghai Nippo* (Japanese paper) on August 19 alleged that the Soviet state naptha trust, not content with monopolization of the Manchurian market, was also making active plans for extending its operations to Shanghai. It was claimed that the Soviet oil trust already has shipped 4,000 cases of petroleum to Shanghai "as samples' and as soon as distribution can be arranged, will enter this market in active competition with the American Standard and Texas Companies and the British Asiatic Petroleum Company. The report in the Japanese newspaper stated that the Japanese authorities and private interests were adopting "proper measures" to meet the emergency and hazarded the opinion that the big American and British oil companies will shortly meet a "formidable competitor." In addition to the foregoing explanations of possible motives for the Soviet naval action on the Sungari, there have been suggestions in Chinese circles that the Soviet naval demonstration on the border may have had some connection with the recent Chinese action at Nanking in jailing two Russian Communists who were involved in intrigue against the National Government in connection with the Communist situation in southern Kiangsi province.

Judgment in Pick Case to Be Delivered on August 29

Judgment on Maurice Levitsky, Eugene Pick and Wei Siao-lai, was reserved until Aug. 29 by Judge Hyui in the First Special District Court August 23. The two foreigners were charged with posing as public officers, altering documents, counterfeiting seals and attempted extortion. Wei, who was arrested later, was charged with aiding Levitsky and Pick. The complaint was originally made by R. K. Raphael, a British merchant with offices in Canton road.

THE COMMUNIST PRISONERS AT NANKING

IF there ever was any question regarding the actual connections of the two alleged Communists, H. Noulens and Mrs. Vanderuyssen, who are now being held by the Chinese authorities in Nanking, the doubts were removed by the publication of a telegram allegedly received by Madame Sun Yat-sen which was published in *The China Press* on Sunday, Aug. 23. The telegram as published, read as follows:

> "Madame Sun Yat-sen, 29 Rue Moliere, Shanghai:—General Committee League Against Imperialism indignant arrests by British police and handing over to Nanking Government secretary our affilated organization Pan-Pacific Trades Union Secretariat and his wife both facing death sentence stop Call upon you as member our Honorary Pressidium take all measures prevent sentence and secure release. Signed: Augusto Sandino, Nicaragua; Bridgeman, Gossip, Great Britain; Muenzenberg, member Reichstag Germany; Dr. Witcheff, Bulgaria; Petrushewitsch, Ukrainia; Saklatvala, Chattopadhyaya, India; James Ford, United States; Leon Werth, France; Miglioli Italy.

The report in *The China Press* also stated that a group of international lawyers, apparently connected with the "Trades Union Secretariat," had offered their services on behalf of the accused in the event their release is not obtainable. The names of the lawyers were as follows: Judge Dr. Werthauer, Alfred Apfel, Dr. Lasersteing, Dr. Ludwig Kanotorwicz, Dr. Heinz Kahn, Leopold Kober, Attorney and Notary Public; Professor Felix Halle, Dr. Gerhard O. Buch, Dr. Loewenthal, Dr. Herzfeld, Dr. Samter, Dr. Litten. The account stated further that several so-called "academic, literary, and other circles" in Germany had appealed to Madame Sun Yat-sen to exert her best efforts on behalf of the foreign Communists who are facing possible death sentences on charges of sedition before the Chinese High Court in Nanking.

Noulens and Mrs. Vanderuyssen were arrested in the Shanghai International Settlement several weeks ago in connection with a general round-up of foreign Communists who allegedly were involved in Communistic intrigues in China. Information upon which the arrest of Noulens and Mrs. Vanderuyssen was effected was obtained as a result of the arrest and conviction of a French Communist named Joseph Ducroux by the British police authorities in Singapore. Evidence brought out at the Ducroux trial showed that he had come to China from Russia on a forged passport and had spent considerable time in Communistic activities in Manchuria, Tientsin, Shanghai and Hongkong, following which he had proceeded to Singapore where he had surrounded himself with a number of Oriental Communists, including natives of India, Dutch East Indies, Indo-China and China. A notebook found in Ducroux's possession contained the names and addresses of a considerable number of Communist conspirators, foreigners and natives, throughout the Far East. A native of Indo-China who was arrested in Hongkong is now facing deportation proceedings in the British court in that city. The accounts of the trials of Noulens and Vanderuyssen which appeared in the Shanghai newspapers indicated without much question of doubt that both were involved in intrigue against the Chinese Central Government. That their activities

had a close connection with the operations of the Communist and red-bandit gangs in Kiangsi province also seems logical. Also, there have been allegation that certain figures connected with the so-called Canton movement were not entirely unaware of the presence of the foreign Communist conspirators on the China coast.

Of interest in connection with the arrest and prosecution of the foreign Communists, was the arrest by the police of the International Settlement on August 17 of Teng Yen-ta, prominent Leftist who was likewise alleged to have been involved in intrigue against the Chinese Government. The "handing-over" of Teng Yen-ta as well as the foreign Communists to the Chinese authorities has naturally subjected the British police authorities of the International Settlement to serious criticism not only in China but abroad. A letter signed by four Chinese which appeared in *The China Press* on August 22 directly charged the British Government with responsibility for the actions of the police authorities of the International Settlement. The telegram received by Madame Sun Yat-sen from the international red-labor organization, referred to in the foregoing, also made a similar charge. While the activities of the British-controlled police department of the International Settlement, have not always been above criticism, the present criticism is not well-founded because the agreement providing for the rendition of the Mixed Court to Chinese control leaves the authorities of the International Settlement with no other choice than to hand over to the Chinese any individuals who are found to be involved in intrigue against the Government. In this connection the British police authorities are merely acting as agents of the Chinese Government in making these arrests, an altogether proper procedure in view of the existence of the Mixed Court agreement. Prior to the rendition of the Mixed Court the Settlement authorities were constantly being criticised, and rightly so, for permitting the foreign administered area to be used as a basis for intrigue against the established authorities. At that time the Settlement was a "happy hunting ground" for all kinds of political malcontents who resided under the protection of foreign flags and conducted their intrigues against the established government. Now the situation has been turned around and the Settlement authorities are being criticised for doing what they were "panned" for not doing a few years ago. In view of this situation one wonders how much longer the British authorities will put up with their now thankless job as police administrators of the foreign settlement.

Since the foregoing paragraphs were written, Madame Sun Yat-sen has issued to the press copies of further telegrams which she has received making appeals for leniency on behalf of the Communists Noulens and Vanderuyssen, the report published in *The China Press* being as follows:

* * *

A London cable of protest reads:

"Madame Sun Yat-sen, 29 Rue Moliere, Shanghai. We urge you use every influence on behalf two Europeans secretary Pan-Pacific Trade Union and wife arrested Shanghai International Settlement now handed over Nanking Government for courtmartial. Signed: John Paton, editor New Leader; Fenner Brockway, member Parliament and chairman Independent Labor Party; W. Brown, member Parliament; Conrad Noel, chairman British Section League Against Imperialism; Reginald Bridgeman. Raymond Postgate, Joan Beauchamp, Gerald Hamilton, of Howard League for Penal Reform· Judan Waten.

Fifteen German artists, whose names are known to modern Europeans, particularly the Germans, wired Mrs. Sun on the 22nd stating that "German artists request the immediate release of arrested Swiss married couple. Signed: Fritz Kortner, Heinrich Ehmsen, Alexander Granach, Charles Girod, Otto Griebel, John Heartfield, Fritz Genschow, Ernst Busch, Karl Junghans, Erwin Piscator, Hannes Meier, Otto Nagel, Otto Schroff, Joseph Sauer, Emmy Roeder Garbe, Gertrude Eisoldt.

Still another cable, dated August 19, was signed by a number of the other German artists, and reads:

"The undersigned members of the Academy of Art urgently request you to alleviate the bad situation and to secure the freedom of the arrested secretary of the Pan-Pacific Trade Union Secretariat. Signed: Professor Leo Freiherr von Koening, Professor Hans Baluschek, Professor Walter Gropius, Professor Kaethe Kollwitz, Professor Leopold Jessner, Rudolf Belling."

Of individual telegrams, the names of certain French writers, Romain Rolland and Henri Barbusse are attached to one message which reads:

"Prions Instamment faire impossible pour sauver les deux employes du Buraux Pan-Pacific de I. S. R." (We beg you to instantly rescue the two employees of the Pan-Pacific Trade Union Secretariat.)

America, China and Russia and International "Wheat" Politics

THAT China's decision to purchase on liberal terms from fifteen to thirty million bushels of wheat from the United States will exert an important influence on the trend of American and world politics is indicated in the following interesting article by Jay Franklin which is reprinted from the August number of *Vanity Fair*, New York. The United States Farm Board is holding approximately a quarter-billion bushels of wheat from last year's crop which was purchased by the Government as a means of stabilizing prices. As a result of the Government's threat to dispose of this wheat on the open market, wheat prices in the Middle-Western sections of the United States recently dropped to thirty cents gold a bushel, with consequent serious political discontent in the affected States. A *Reuter* report from Washington on August 21 stated that the Farm Board had made a deal with the Brazilian Government for an exchange of 25,000,000 bushels of American wheat for an equivalent value in Brazilian coffee and in addition there have been reports that the U. S. Farm Board is also negotiating with Germany for the sale of large quantities of wheat. The following article by Mr. Franklin gives an excellent insight into the world wheat situation and the international politics involved therein:

For all practical purposes, wheat is civilization. It produces what we euphemistically call the staff of life, a staff which has recently been behaving like a boomerang, so far as wheat farmers and their politicians are concerned; for the bottom has dropped out of the wheat market again. And with tens of millions of needy human beings, it is hardly worth the farmer's while to harvest his crop.

By the same token, wheat makes politics and has always made them. Whether you turn to ancient Rome,

Egypt or Mesopotamia, or advert to modern times, you will find wheat working political earthquakes. Wheat, needed by England, won the Civil War for the North; then the American transcontinental lines opened the wheat empire of North America, and our wheat wrecked agriculture in Central Europe. Austria-Hungary took to growing hogs, instead, and agricultural experts swiftly decided that Serbian swine were unsanitary, laid down an embargo and started a political avalanche that led straight to Serajevo. Then at the end of the century, Czarist Russia, under Count Witte, began dumping wheat to pay for industrial imports and the American farmer began to hit the skids; by 1913 we were exporting only 100,000,000 bushels whereas we had exported 239,000, 000 in 1091. Farmers began growing wheat in Canada, in the Argentine, in Australia, in South Africa. And then canie the war.

The war isolated Russia, behind first a German, and then behind an Allied blockade. American and Canadian wheat was nearer to Europe than the Argentine or Australian variety, and tonnage was short. After the war, Russia was in ruins and much of European agriculture disorganized and demoralized. Our farmers got top prices for their grain, added to their acreage (and to their mortgages), and rushed head-first into two gigantic collisions: the first, in 1921, reduced the farmer's share of our national income from 22.1% to 10.6%. The second in 1930-1, drove wheat down to 57 cents a hushel, and set the prairies howling for Hoover's head upon a silver charger. The outcry and indignation are enormous. On the one hand, our good good old friends the bankers talk familiarly of supply and demand, as though they were two of the partners of J. P. Morgan, and say that the farmer must take his chance with the rest of us, swallow his medicine like a little man, and remove himself from politics. On the other hand, the farmer and the men who want the famer's vote whoop it up for the "spiritual values" of c-rr-ing a wheatfield and sitting back while nature takes its course and then assuming personal responsibility for the result. They demand farm relief and point out. only too accurately, that wheat is politics. And so you get the present ridiculous picture of Hoover vs. Stalin, Premier Bennett of Canada vs. President Uriburn of Argentina, and a perfectly appalling attack of national and international colic due to undigested wheat supplies, while millions of men in Russia and America are underfed and China faces starvation.

WHEAT AND STILL MORE WHEAT: This cartoon from *Vanity Fair*, (New York) carried the inscription, "Ridiculous situ:tion of Messrs. Hoover and Stalin, in their respective wheat corners, sitting on millions and millions of bags of wheat while American and Russian (not to mention Chinese) millions are starving and underfed. Is it possible that the wheat crisis is political as well as economic? . . ."

For the wheat crisis is political as well economic: the only people who believe that the two aspects of civil life are separable are candidates for the padded cell. On the political side, we have the Federal Farm Board, using half a billion dollars to help it buy up about 250,000,000 bushels in order to help the farmer, and then having the existence of *this* wheat smashing down the price of the rest of the wheat to the lowest record in two generations. We have the Soviet collective farm, a novel experiment in farm economics, smashing the pattern of Russian peasant life and producing the biggest Russian wheat crop in history. We have the Canadian Wheat Pool, slowly accumulating huge reserve stocks and vainly trying to peddle its wares to Great Britain, while the canny British play off cheap Russian and Argentine grain against Empire wheat. We have practically every European country and most overseas countries enacting tariffs for "farm relief", and we have the spectacle of international society appalled and helpless in the face of an unexpectedly adequate food supply.

On the economic side, the wheat problem is inconceivably complex. In the first place, the world's population has increased about 17% since 1910, while the world's wheat acreage and production has increased about 24%. Not counting Russia and China, the world is producing 700,000,000 more bushels to feed 300,000,000 more people than in 1910. The changes have been unevenly distributed. In 1910 the world had about 280,000,000 acres under wheat and produced about 3,800,000,000 bushels. In 1930 the world planted 310,000,000 acres and produced about 4,800,000,000 bushels. In Western Europe, however, there was a 3% drop in acreage and production in this period; in Eastern and Central Europe, a 10% increase, while the Southern Hemisphere increased its acreage by a half and more than doubled its production; Canada increased acreage by 150% and production by 100%; Russia actually reduced its wheat acreage by a fifth while it increased its production by a third. Even the United States, which solemnly urges reduction of acreage as the only cure for the wheat blight, increased acreage by a fifth and production by a quarter: long after the temporary opportunities of the war had passed, our farmers had still 12,000,000 acres of more land under wheat, 160,000,000 bushels more production, and fifty per cent more exports than before the war. And we acted as though it would last forever.

At the same time, people stopped eating so much wheat. Per capita wheat consumption dropped by from 10% to 25% in the great wheat-eating countries: Belgium, France, Germany, Great Britain, Spain, Switzerland,

Argentina, Australia, Canada and the United States. Only Italy ate more. The world, in brief, consumed less, did without, went hungry, or starved, in the face of mounting wheat production.

This hit the wheat exporters hard. Canada, which exports about half of her crop, was badly crippled, turned out the Liberals and went whoring after high tariffs with the Conservatives. Argentina, which has to sell two-thirds of her wheat abroad, had a revolution and a visit from the Prince of Wales. Australia, which exports a third of her crop, went bankrupt and blamed it all on the British war debt. The United States, with only about a sixth of the crop available for export, was induced by the Borahs from within to clap the Federal Farm Board like a mustard plaster on the Farm Belt. Even Russia, which exported only a tenth of her crop in 1930, experienced executions, deportations and eruptions of statistics before the crop year was ended.

The first international by-product of the wheat-crop has been a wild and senseless outcry, a sort of half-baked political shredded wheat biscuit. Secretary Hyde hailed the first Russian wheat sales as a gigantic plot to destroy the American farmer in the name of world revolution. (It is probably a coincidence that the Federal Farm Board was organized in the first year of the Soviet Russian Five-Year Plan.) The world began to hear heart-rending stories of Russian misery and slavery, blood-curdling tales of Russian irreligion and immorality, and, more cheering, brisk little tales of Russian revolts and inefficiency. The European farmers began going broke and desperate efforts were made by France and England to lend American money to the peasants in order to enable the landlords to compete with the more efficient Soviet collective farms. Such countries as Bulgaria, Estonia, Hungary, Latvia, Lithuania, Poland, Jugoslavia and Rumania, with solid peasant populations, began to worry; and the Pontiff began issuing encyclicals on labor and social reform. In the United States, which had comfortably forgotten Mitchell Palmer's malodorous Red Scare of 1919, after a decade of complacent confidence in the impracticability of Communism, Hamilton Fish began barn-storming on the Red Menace. It was all very depressing.

Then came wheat diplomacy. The Russians sent over an important economic official to sound out the ground for an international wheat pool, but can you imagine any Republican Administration denying the God-given right of the American farmer to export his wheat at a loss? The League of Nations took up the subject, appointed a Commission and forgot it.

In the meantime, the technicians at Geneva had hammered out a plan for an International Agricultural Mortgage Credit Bank, which was approved by the League Council last May just in time to be used by Briand against the Austro-German Customs Union. Elaborate arrangements have been made to retain control of the bank in Europe and to peddle its bonds in America. It will promote big farms and strong management, and will thus undo the work of the peasant revolutions of 1917-20 in Central and Eastern Europe. Europe's answer to the Russian collective farm is the industrial farm, on the model of some of the big Canadian and American ranches: Europe to supply the brains, America the money, in order to enable Europe to compete against Russia and the United States. The only real difficulty in this scheme will be raising the money. Perhaps if we are taught to hate Russia enough, we won't mind lending it to Europe to be used against ourselves.

In the sphere of direct negotiation nothing has been accomplished. At one conference the Americans suggested reduction of acreage—a proposal which has made very little progress when urged upon the dim-witted American wheat farmers—to the pious indignation of the Russians, who pointed out that they, at least, were trying to secure more and better food for their people, and intended to enlarge their acreage enormously. Inasmuch as low wheat prices and more economical uses of land are forcing much American wheat land into other uses, and considering that Russia has huge reservoirs of virgin steppes for wheat raising, there is little reason to suppose that the American or the Russian point of view will be altered by moral arguments.

The London Conference agreed to establish a central statistical and went home to see what happened. It's about to happen now. Canada and the United States, after plentiful spring rains, will produce bumper crops of winter wheat and, with no prospect of summer drought, should have one of the largest crops of recent years to dump on the market. Russia, on the other hand, since last year, has increased her land under wheat from 59,000,000 to 105,000,000 acres, and expects a crop of over one billion three hundred million bushels: nearly twice the American acreage and one and two-thirds times the American production. No wonder the Farm Board stopped supporting the wheat market, and no wonder the price has dropped to the pre-McKinley level!

So much for the future of wheat economics. How about the future of wheat politics? It has not escaped the attention of some of our shrewder students that in 1932 there will be a Presidential election. If the American farmer has had his third bad summer, as a result of Russian competition, it will not be difficult to persuade him to hate the Russians. He may come to hate the Russians even more than he hates the Farm Board. He may be persuaded to shift his political allegiance from the dead horse of Prohibition to the 1932 Anti-Red favorite.

We all like to heave our bricks at a scapegoat, and the red Russian radical goat is guaranteed to escape farther and faster than even that domestic favorite, Prohibition. The stage set for one of the most affective pantomines in history. Let the Soviet Russians attempt to pay for American tractors by dumping their unhallowed grains of wheat upon our foreign markets, and they will harvest a crop of anger and hostility which will provide the Republican Elephant with plenty of electioneering fodder for 1932, while the Democratic Donkey starves between the two tempting stacks of Liquor and the Tariff. If the American farmer stops blaming Hoover for his woes, and starts blaming Moscow, it may not help the farmer but it certainly won't hurt Hoover. In fact, if Herbert Hoover enters upon his second term on March 4, 1933, he will owe his reelection very largely to Comrade Stalin and the latter's Five-Year Plan, which gave the Great Engineer just the alibi he needed to explain away the noble experiment of an open depression openly arrived at. Considering that the whole purpose of the Third International is to prevent the election of just such individualistic bourgeois capitalists as the present occupant of the White House, the joke would seem to be on Moscow. Or perhaps it is Moscow's joke on us. More likely, however, it is just the way things happen and no very great calamity will overtake humanity simply because the Russians have added to the world's visible food supply.

Chinese Guillotined in the New Hebrides

Six Chinese are reported to have been publicly guillotined recently at Vila, in the New Hebrides (which is under a joint French and British administration). The executions were carried out by a Japanese executioner after the men had been convicted by the French court for the murder of a French planter. According to the officers and passengers of a mission steamer, the *Southern Cross*, which recently has arrived at Wellington, New Zealand from a cruise round the islands, the acting British Resident Commissioner protested both to the British and French Foreign Offices against the executions, which were carried out opposite the French hospital in which there were a number of women and children.

Originally 14 Chinese were tried for murder. Four were sentenced to imprisonment for life and the remaining four to imprisonment for terms between seven and twelve years.

British Ship Lost in Typhoon on China Coast

Two vessels belonging to the British shipping firm of Jardine Matheson & Co., were caught in the typhoon along the Chin coast last week. One of them the *Kwongsang* was a total loss and for several days no news was to hand. Later searches made by British and Chinese warships along the Chekiang and Fukien coast established the fact that the vessel had foundered. The wreck was later pirated and some of the ship's gear was recovered from villages along the coast. Several Chinese bodies were recovered, but no trace of the foreign officers was found. The other Jardine boat to meet diaster was the *Waishing*, which went ashore on the Fukien-Chekiang border. Chinese war vessels stood by and warded off pirate attacks. Various repairs were made and the ship was enabled later to continue on to Hongkhong.

Flood-Famine Situation Most Serious China Disaster Since Fifteenth Century

Dr. C. T. Wang, Minister of Foreign Affairs at Nanking, announced at a meeting of the State Council on Aug. 25 that China is arranging to purchase 7,500,000 piculs, or approximately 16,000,000 bushels of American wheat to feed the victims of the Yangtsze floods. The cost was estimated at $40,000,000 silver dollars, the terms of payment still being under negotiation.

WITH the flood waters of the Yangtsze standing at 53-feet, 6-inches at Hankow; with a considerable portion of Central China converted into a vast lake; and with between 50,000,000 and 60,000,000 people rendered homeless—China today is faced with a national disaster incomparable to anything that has occurred in the country since the 15th Century. According to a survey of the situation which was made by Dr. Wu Kuo-cheng, director of the Financial Bureau of Hupeh province, the only flood in recent decades comparable to the present situation was 60 years ago when the Yangtsze reached 50-feet, 6-inches at Hankow. In fact Chinese history records only one other occasion when the Yangtsze River reached a stage comparable to the present. That was early in the 15th Century in the early years of the Ming Dynasty (1368-1628) when the only points in the Hankow district that were not flooded were Turtle and Snake Hills, a situation similar to the present. The magnitude of the present catastrophe therefore nullifies the charges which have appeared in the newspapers that the failings of officials responsible for dike construction and repairs were responsible.

F. W. Maze, Inspector-General of Customs, who returned to Shanghai this week after a general survey of the Wu-Han district, declared that the present flood resulted from a series of heavy rains that fell simultaneously over the various areas drained by the tributaries of the Yangtsze River that converge in the Hankow district. As a result the efforts of the Chinese people to protect themselves against inundation by the construction of dykes was set at naught. While not absolving officialdom who have diverted to other uses the funds which have been raised for dyke construction and repairs, Mr. Maze declared that the present disaster could not have been averted through man-made agencies. Basing their experiences upon the floods of 1870-1871, the dykes and railway embankments in the Hankow district had been raised to a height ranging from 51 to 56 feet. As the present flood reached a stage of practically 57-feet, it may be realized that man-made agencies of protection were inadequate to prevent the present disaster. Mr. Maze also stated in his report that the extreme height of the dykes in the Hankow district may have had the effect of aggravating the inundation in other districts, hence there are limits beyond which a dyke may not be constructed in view of the dangers which it may cause in other areas not so well protected. In support of this conclusion Mr. Maze cited the experiences of engineers in America and India where floods of phenomenal height often wipe out all artificial preventive agencies.

The report issued by the Inspector-General of Customs made no attempt to estimate the damage or loss of life in figures. He stated that it was of collossal magnitude and practically impossible of description. Dr. Wu Kuo-chen, a member of the Hupeh provincial government, stated that 45 out of 68 hsien or counties of Hupeh province were flooded. At least 8,000 persons were known to have been drowned in the streets of Hankow alone. The number of destitute in Hupeh province is estimated at 10,000,000 while those in Hunan, Kiangsi and Anhwei provinces probably exceed 25,000,000. He declared that the available revenues in these provinces is hopelessly inadequate to cope with the situation and expressed the hope that the political affairs of the country would be quickly adjusted so as to enable the entire nation to devote its attention to the situation. Dr. Wu also stated that the national famine relief loan of $50,000,000 now being considered by the Central Government, probably would be inadequate except for a brief period as it would be necessary for relief agencies to feed many millions of people for at least seven months. It was reported that Gen. Chiang Kai-shek has ordered all Chinese warcraft to the Hankow district and also has ordered the commandeering of private cargo craft for the purpose of removing refugees from the inundated districts.

Aside from the flood menace in Central China, Dr. Wu Kuo-chen also called attention to an even worse menace—Communism—which he stated was being accentuated by the vast number of refugees who have been forced from their farms and village homes. He declared that several of the most notorious red leaders who had been driven back into the mountains, were now taking advantage of the embarrassment of the Government due to inability to provide funds for the troops and unless something could be done there was imminent danger of the entire Wu-Han region "going red" somewhat similar to the situation which prevailed in that area in 1927. A report by the *United Press* from Hankow on August 25 stated that hordes of outlaws, red-bandits and Communists were forming on the outskirts of the flooded area about 20 miles from Hankow and were commandeering boats for the purpose of invading the submerged cities for purposes of loot and arson.

Among the outside agencies which have already come to the rescue are the American Red Cross which has donated G. $100,000 and the Japanese Imperial Government which has donated the equivalent of G. $50,000. The U. S. Asiatic Fleet and Yangtsze Patrol, acting upon the orders of Admirals McVay and Williams, have diverted all available vessels for use in rescuing refugees and transporting food to the Hankow district. A report in the *Shanghai Evening Post* on August 25 stated that several ships of the Yangtsze Patrol were being used for survey purposes and others had been sent to Shanghai for supplies of foods and other necessities. The report stated that practically all foreign women had been sent to Shanghai and other points along the river and that there was sufficient food available for all foreigners in the Hankow area. The U. S. Navy is also arranging for medical service in view of the possibility of epidemics breaking out due to

the insanitation, infected foods and drinking water. Negotiations are also proceeding between representatives of the Chinese and Amrican Governments for a supply of wheat ranging from 15,000,000 to 30,000,000 bushels for feeding the destitute.

One of the most graphic reports of the flood-famine situation that has yet appeared was issued by *Reuters* service, whose correspondent, Frank Oliver, went to Hankow several days ago. Mr. Oliver's report which was dated at Hankow on August 22 stated that aerial surveys in Hupeh showed that 35,000 square miles of territory were under water and that 5,000,000 people were in destitute circumstances. The flooded area in Hunan exceeds 22,000 square miles with 2,000,000 in destitute circumstances. He estimated that at least 2,000,000 persons are practically certain to perish before the waters recede. Deaths from starvation and disease in the Wu-Han district exceeded 1,000 daily and the flooded streets are filled with corpses of human beings where they were floating about along with the bodies of horses, cattle, pigs and dogs. Transportation throughout the area is by boat and sampan, practically everbody living in the upstirs rooms of their houses. Owing to a shortage of boats the prices for transportation had mounted to prohibitive heights, the sampan-men realizing incomes ranging from $60 to $150 a month. All types of improvised rafts were being used for transport purposes and the life of the city had been reduced to the speed of slow-moving boats.

The *Sin Wan Pao*, one of the leading Chinese newspapers published at Shanghai, stated on August 24 that the flooded area reached a considerable portion of 16 provinces of the nation and that the people affected probably would reach 60,000,000. Of this number, probably 30,000,000 were young people, who in all probability would be thrown into banditry and Communism due to the removal of normal means of livelihood. The editor suggested that aside from raising funds for immediate relief purposes it would be necessary for the Government to take the situation in hand and immediately prohibit the export of foodstuffs and create a central food monopoly. It was also suggested that the Government immediately prohibit the use of food products such as rice for wasteful purposes, particularly the manufacture of wine. The editor of the *Sin Wan Pao* also recommended the adoption of far-reaching plans for transporting refugees from the densely populated Yangtsze Valley to the Northeast and Northwest where they could find new homes. He declared that unless some such measures were adopted China would be faced with another Communistic upheaval.

T. V. Soong, National Finance Minister who is chairman of the National Flood Relief Commietee issued a statement on August 25 to the effect that the Government relief organization would first devote its efforts to immediate relief of the refugees and following the receding of the floods the Government would inaugurate an extensive repair work on dykes using the refugees as laborers and paying them in food. Chinese farmers will be encouraged to plant crops that would provide food before winter. The Relief Committee will undertake the supplying of seeds and necessary farming implements. According to Mr. Soong, the Committee takes the view that the relief operations will probably extend over at least six months, requiring all possible resources that can be obtained. For immediate purposes the Committee has assumed responsibility for the expenditure of approximately $60,000,000, of which about $50,000,000 will be expended for food-stuffs. Mr. Soong estimated that crop damages will exceed $100,000,000. The Govern-

Flood Edition **HANKOW HERALD** Flood Edition

Vol. 9 No. 2605 Hankow, Tuesday, August 18, 1931. Registered at the P.O.

River Registers Slight Drop After Reaching Record Height Of 53.2 Ft.

Steadily Rising Waters Aggravate Flood Situation; Chiaokow Districts Now Submerged As Huangchintang Dyke Gives Way; Yesterday's Drop Might Mean Beginning Of Definite Fall

With the water level of the swollen Yangtse River here at 53 feet and two inches, an unprecedented height, the flood situation in the Wuhan area yesterday morning became still more critical and grave anxiety was evident as a general exodus had begun. After 9 p.m. the outlook became, however, a little brighter as a slight drop was noticed. In the afternoon the river kept on falling, though very slowly, and the watermark was 53.05 ft. at 5 p.m. It was expected that the climax had been reached and a definite fall had commenced. In view of the sudden and rapid rise which followed the slight drop on the morning of August 11, it is not safe to make any prediction as to how the river will behave today.

Dyke At Chiaokow Breaks

Another important development in the situation yesterday was the collapse of the Huangchintang dyke at Chiaokow which resulted in the inundatian of a vast region in Southwest Hankow. The latest disaster affected several big flour silk, and cotton mills in the Chiaokow district. Despite the desperate efforts made by the authorities to hold back the rising waters in that section of Hankow the dyke finally gave way in the morning. The inrush of water converted in a few hours miles of farm land into a sheet of water. Many houses were washed away and hundreds of people drowned. Many of the survivors of the disaster escaped to Hankow in sampans.

The Huangchinting dyke is on the Han river front and its collapse was expected for some time. Thousands of sandbags were sent there to strengthen the embankment, but all human efforts to prevent the disaster were defied by the continuous rise of the waters.

The Weterworks which is situated at Chiaokow, is however not being affected. We understand that under the direction of Mr. P. Liu, Managing-Director of the Company, very careful precautions had been taken to prevent both the waterworks and the power plant in the Chinese City being flooded.

1.1/2 Feet Rise In 4 Days

Since August 13 when the river rose to the record height of 51.85 ft. and when the Herald was compelled to discontinue publication owing to its plant being flooded, developments in the situation were none too encouraging. Within the last four days the river has had a rise of nearly a foot and a half. Both the S.A.D. No. 1 and the Japanese Concession, which had successfully kept the waters out, were flooded. In the S.A.D. No. 1 the power plant was seriously affected and the area plunged into complete darkness. The situation in the Japanese Concession is also very serious, the water in many parts being over six feet high.

Watermark	
August 13	51.85'
August 16	52.85'
Yesterday at 9 a.m.	53.20'
at 5 p.m.	53.05'

Wuchang In Danger

The break of the Peichenkuo dyke in Wuchang on Sunday further aggravated the situation and it was feared that the provincial capital would be so seriously flooded that Hankow would lose its only principle source of food supplies. The collapse of the Peichenkuo embankment resulted in the Chopsticks Street being under 10 feet of water and the demolition of a dozen of houses.

As the water has risen to further heights and appears to be still rising, many more people have abandoned their homes. Huge junks made their appearance in the streets in the last two days, conveying cargoes from various godown to steamers. Many shops have not only closed their doors, but removed all their goods to places of safety. All main streets presented yesterday a scene of activities as sampans and junks fully loaded with

(Continued on Page 2)

OUR FLOOD EDITION

Beginning from today and until the flood subsides, the Hankow Herald will merely put daily a flood edition consisting of only one small sheet. As practically all of our printing equipment is under water, the edition has to be hand set and for this reason it is in the from of just a pamphlet. We are making every effort to save our machinery from being ruined by this water and expect to be able to publish our usual issue as soon as it is possible to pump the water out of our premises. In the meantime we are conducting both our business and editorial work on the second floor No. 24 Rue Dautremer, right next to the Herald office.

While we apologize for discontinuing publication last Thursday and for putting out now this pamphlet instead of our usual issue, we are sure our readers and advertisers realize this is an unprecedented time and that we are laboring under great difficulties in issuing even this little sheet to keep the public in touch with developments in the flood situation.

The "Hankow Herald," after suspending publication for several days, commencing August 18 printed a flood edition of which the above is a reduced fac-simile made by the "Shanghai Times." As will be noted, most of the Herald's printing equipment was under water.

ment has co-opted the services of various official commissions such as the Yangtsze River Commission, Hwai River Commission and Whangpoo River Conservancy Board in the relief work. Private relief organizations including both foreign and Chinese have been invited to assist in the work. An accounting committee composed of the following has been formed for handling the funds of the Relief Committee: C. R. Bennett, National City Bank of New York, K. P. Chen, Shanghai Commercial & Savings Bank, G. E. Hubbard, Hongkong & Shanghai Banking Corporation, R. Lauren , of Carlowitz & Co; Li Ming, Chekiang Industrial Bank; Lin Kang-hou, Shanghai Chinese Bankers' Association; Loh Pah-hung, Nantao Electric Power & Tramcar Co; T. China; William Watson, Adviser in Accounting, Ohmoora, Mitsui Co; Sung Han-chang, Bank of Ministry of Finance; Chang Kia-ngau, Bank of China, (Chairman).

Tens of thousands of refugees throughout the flooded areas have collected on the dykes and high points with their meager possessions in order to avoid the floods.

Although the Yangtsze has in the meantime subsided somewhat and the danger from floods has passed, the entire Wuhan area is now in a worse plight than when the floods were at their height. Famine and disease are taking their toll in many directions, and houses continue to crumble, sometimes with accompanying loss of life, but usually only adding to the number of homeless. Dystentery, cholera, malaria and other diseases have beomec prevalent.

Telegrams from Hankow during the week stated that five million persons are homeless in the Wuhan area, and that two millions are destitute in Hunan province. The Committee of the International Red Cross and the Red Cross Societies of the League of Nations have made an appeal to all the Red Cross Societies of the world to assist in relief work in China. They have arranged for the Chinese Red Cross Society to undertake the distribution of gifts received from other nations.

The Shanghai Chinese Red Cross Society has received a cablegram from the American Red Cross Society confirming the report that a sum of G$100,000 has been remitted to the American Consul at Hankow for the relief of the flood refugees.

The General Relief Committee of Shanghai of which Hsu Shih-ying is the Chairman, has remitted to Nanking $43,000 for flood relief purposes in the provinces of Anhwei, Honan, and Kiangsi. Besides subscribing generously to the relief funds under the auspices of various official relief organs, local civic organizations have also organized separate relief campaigns of their own.

The Nanking British Consulate is reported to have turned over to the Municipal Relief Committee $4,762 for relief purposes in the capital. The sum represents contributions received by the British authorities from British commercial interests and British subjects in Nanking to assist in the carrying out of effective relief measures in the capital for those who lost their homes and other possessions during the recent flood in the city.

At a meeting of the National Government Council at Nanking August 21 it was decided to issue government bonds to the amount of $10,000,000 for the relief of flood refugees. The national government also instructed the Legislative Yuan to complete at an early date the drafting of the regulations in regard to this bond issue so that the money may be raised immediately.

The Kiangsu Provincial Government, has appropriated an additional $100,000 for flood relief in the province.

The Japanese Emperor has contributed Yen 100,000 to the Chinese flood relief fund, and Yen 10,000 to Japanese victims of the flood. The funds were transferred in Shanghai by Mr. Shigemitsu to the Chinese Flood Relief Association during the week.

The Cabinet Council of Japan discussed the relief measures for the flood disaster in China at a meeting held August 20. As a result, Mr. Inouye, the Minister of Finance, had conferences with the Sino-Japanese Business Society and other organisations interested in China.

Baron Wakatsuki, the Japanese Premier, has started a nation-wide demonstration for the relief of the flood-stricken people of China. At a conference which he called it was decided to inaugurate a China Flood Relief Association, of which Baron Goh was made chairman. Baron Goh said: "In view of the fact that Central China is suffering from the unprecedented flood disaster, Japan, as the

Reports from Hankow have told of numerous cases where the dykes have given away throwing thousands of refugees into the flooded streams. Hundreds of boats have been commandeered for the removing of these refugees to safety.

friendly nation to China, desires to relieve the Chinese of their great sufferings as soon as possible."

Dr. Koan Takata, master of the Nankoin a consumption sanitorium at Tokyo, has contributed Yen. 1,000 towards the relief fund of the Chinese flood sufferers and Yen. 100 for the Japanese.

The National Flood Relief Commission has taken steps to obtain shipping for evacuation of persons in the flooded area and for movement of foodstuffs and other supplies to the suffering districts. In addition to arranging for the charter of shipping at Shanghai, arrangements have been made for release of five steamers and ten launches which had previously been in the service of the military authorities.

The relief work organized by the Pekin Syndicate has taken the form of equipping a hospital ship and sending it to Hankow. It will be fully equipped, with both foreign and Chinese doctors in attendance. Its staff will devote itself mostly to the task of preventing epidemics. Provisions is being made to provide a supply of pure water.

The National Flood Relief Commission has among its members, in addition to sixty prominent members of the Chinese community, the following: John Earl Baker, C. R. Bennett, E. L. Brandt, N. S. Brown, R. Calder-Marshall, J. W. Carney, Herbert Chatley, F. A. Cleveland, Jean Donne, T. Funatsu, E. Haward, P. S. Hopkins, G. E. Hubbard, Y. Ikeda, Father R. Jacquinot, John Keswick, Henry Lambert, R. Laurenz, E. C. Lobenstine, Du Pac de Marsoulies, F. W. Maze, Henry Mazot, Major W. S. Nathan, T. Ohmoora, J. B. Powell, F. L. Pratt, Bishop L. H. Roots, Archibald Rose, M. Speelman, C. V. Starr, Col. G. G. Stroebe, U. Tavella, T. O. Thackrey, and Arthur N. Young.

The Yangtsze River Commission has been temporarily transferred from the Ministry of Communications to the Flood Relief Commission, and technical experts of that Commission are already at work on the problems. The Huai River Commission has also placed its facilities under the Flood Relief Commission.

A committee on co-ordination of private and public charities in connection with the National Emergency Flood Relief Commission, under the chairmanship of Dr. H. H. Kung, was inaugurated in Shanghai at a tiffin held at the Bankers' Club August 20. The committee comprises the following sections: general affairs, correspondence and recording, co-ordination, information and investigation, and publicity. These are headed respectively by Jabin Hsu, K. T. Liu, Dr. P. W. Kuo, H. Y. Moh, and Dr. P. W. Tsou. The committee has its headquarters at the Bureau of Industrial and Commercial Information, Customs Building.

More than 60 prominent leaders in social service have been invited by Dr. Kung to serve on his committee, including Dr. Z. Z. Zee, Mr. Yinson Lee, Dr. Kenneth Fu, Dr. Fu Wen Shao, Mr. Z. L. Chang, Philip Han, and others. Under the leadership of Mrs. H. H. Kung and Mrs. Chang Hsueh-liang, a woman's committee on Flood Relief has also been created.

Wheat From the United States

The National Flood Relief Commission officially announced at Nanking August 20 that inquiries have been submitted through the Ministry of Foreign Affairs to the United States Farm Board regarding the purchase of wheat on liberal terms for use in connection, with the relief work in emergency. American millers, however, want to mill the wheat into flour in America so as to provide employment.

The United States Farm Board replying to the enquiry of the Chinese Government in regard to the quantity of wheat available on credit, stated that the Grain Stabilization Corporation will gladly negotiate the sale of fifteen million bushels. The sale price will be the market price on the day of shipment.

T. V. Soong, chairman of the National Flood Relief Commission, announced last week that there is no foundation for reports in the Chinese and Foreign press that the government plans to send representatives to the United States to campaign for flood relief. He also stated that there is no truth in reports that Judge Linebarger is representing the government in connection with a proposal for a sale of wheat by the United States Farm Board.

The U. S. S. *Tutuila* loaded provisions and stores, consisting for the great part of potatoes, onions, cabbages and imported American boiled hams for sufferers of the devastated regions, proceeded to Hankow from Shanghai during the week.

The Ministry of the Navy has despatched several gunboats to the flood-stricken areas for the maintenance of peace and order as well as the conveyance of flood refugees.

Although there has been a general exodus of Chinese from Hankow, foreign merchants there generally have decided to stay on.

A cable was received at Nanking from the League of Nations, Public Health Section, offering the help of epidemiologists, with supplies, from the Public Health Services of India, Indo-China, the Dutch East Indies and Japan to cope with epidemics that might arise from the flood situation.

Dr. J. Heng Liu, Director of the Public Health Administration under the Ministry of Interior and Head of the Health Section of the National Flood Relief Commission, has organized effective relief measures.

Relief agencies are greatly assisted in their work by the information received from offices in the flood districts through various organizations, including the Standard Oil Company, British American Tobacco Company, the Bank of China, the Chinese Millers' Association, and also the various mission Boards.

Data submitted to the National Flood Relief Commission by Col. G. G. Stroebe and Dr. Herbert Chatley, Chief Engineers, respectively, of the Yangtze and Whangpoo River Conservancy Commissions, includes a reference to the fact that other countries have had like experiences, for example in the United States of America, the authorities are to this day in doubt, on account of cost, as to the practicable procedure to be followed to safeguard against a repetition of the gigantic and unprecedented flood on the Mississippi three years ago.

The regulations governing the issue of the $10 million Flood Relief Loan, jointly drafted by the Ministry of Finance and the General Relief Committee, were brought up at the regular meeting of the State Council at Nanking August 18 and referred to the National Government for examination by the Legislative Yuan.

The dykes at Wuchang crumbled one after another August 18. In Hankow, the collapse of buildings still continues. The Chiatzu Hotel, consisting of five-stories, collapsed, burying hundreds in the debris.

More than a thousand refugees from Hankow housed at the Kaiyu barracks in Wuchang were drowned August 21 when another section of the Changkungchih Dyke collapsed. Two hotels in Hankow also collapsed, killing about one hundred of the occupants. Wuchang city was without light several days as the result of the wall protecting the Electric Power plant caving in.

Temples and other unoccupied public buildings in the Shanghai area are being converted into shelters for the flood refugees. The Flood Relief Funds sponsored by various local organizations continue to mount, as substantatial contributions pour in from local firms, especially banking institutions. The Shanghai Commercial and Savings Bank has contributed $100,000 and other leading banks have also promised substantial contributions. At Pootung the refugees are being accommodated by the Public Safety Bureau.

Chinese refugees began flocking to Shanghai during the week, and shelters have been erected for them in various outlying districts, notably at the South Railway Station.

Messages of sympathy from various Governments, including the United States, have been received by China in her present affliction caused by the floods. President Chiang Kai-shek August 21 cabled as follows to President Hoover:

"I have the honor to acknowledge receipt of your telegram of August 18. I am deeply moved by the friendly concern aroused in the United States of America by the flood disasters in China; and in my name and the name of the Chinese nation I sincerely thank you and the people of the United States for your expression of sympathy for the sufferings of our people."

The number of flood refugees in the Wu-Han area was estimated at 400,000. August 21. Hankow alone had 200,000, Wuchang 50,000 and Hanyang 30,000. In addition, 30,000 ricshaw coolies and 100,000 wharf coolies had to be cared for. A sum of $200,000 is being expended by the Emergency Flood Relief Committee for the removal of the people to safer ground in Kiangsu and Chekiang.

Traffic has been partially resumed on both the Tientsin-Pukow and Lung-Hai Railways. With the receding of the water, the Railway authorities have instructed that the speed be increased in accordance with normal schedule. On the Lung-Hai Railway, the damaged tracks at

Sinanchen near Hsuchow were repaired on August 17, and normal service was resumed the following day.

Twenty-four districts in Shantung province have been thrown into direst straits as a result of the overflow of the Yellow River and the torrents from summer freshets. Locusts also are wreaking havoc in ten districts unaffected by the deluge. Famine confronts the inhabitants in the locust-ridden regions where all crops and vegetation have been practically eaten up by the destructive insects.

In order to prevent the flooding of the Huai River, the Huai River Commission has planned to build flood detention works upstream, to reconstruct the dyke system along the Huai River and its main tributaries, to improve the outlet to the Yangtsze River, and also to excavate a new outlet to the sea. As immediate relief is needed for the people in the flooded district, the National Government has decided to employ the refugees for construction work as a principle of relief.

While public attention is focussed on the appalling flood situation in the nearer provinces of Hupeh, Anhwei and Hunan, reports are also being received of extensive calamities in Szechuan as a result of the floods. It is stated that a disaster similar to that at Hankow has overtaken Chengtu (the Szechuan provincial capital), Chungking and many other districts where whole cities were inundated. Terrible scenes are reported along the Lo River in southern Szechuan where, due to overflow, the important cities of Fushun, Neikiang and Tzechow have been converted into vast expanses of water. The inundation took a heavy toll of lives; about 10,000 of the River population are said to have been swept away into a watery grave. Properties destroyed along the River are calculated to be at least several million dollars. The whole territory in Szechuan through which the Yangtsze River passes is reduced to a miserable plight.

Hu Chang, a resident of Hankow, writes to *The Review* as follows:—"It is high time for all political factions to lay aside their personal views so as to concentrate their whole mind and energy for the relief of such a disastrous calamity. It is also advisable for all capitalists of every nationality to liberally contribute towards the fund for relief of flood-stricken people, for though such a disaster has directly affected China, it will indirectly affect the whole world. There is no question that the Soviets or the third Internationals have deeply rejoiced over such a mighty disaster and will regard it as the best opportunity to propsgate the seeds of communism, if we can not take the situation well in hand. It will be too late for all capitalists both Chinese and foreign to repent their stinginess if the hungry wolves are driven to their side."

Typhoon in Shanghai District

The Shanghai district was hit by a heavy typhoon on the night of August 25, as a result of which many streets and many cellars were flooded. Among the insitutions to be discommoded was the National City Bank, whose vault was several feet under water, but with contents safe. The water in the basement was pumped out by the Shanghai Fire Department during the following day. All shipping was held up. Several Chinese lost their lives, one by picking up a high tension wire which had been blown down,

Chiang Kai-Shek Returns to Communist Front—Madame Sun Yat-sen Reiterates Political Views

ALTHOUGH certain officials involved in the Canton Movement are still holding out against any compromise of the political complications between Nanking and Canton the inevitable tendency of the entire country is in the direction of peace—the chief reason being the urgent need for peace in order that undivided attention may be directed toward the relief of the flood-famine catastrophe. Adhering to his determination to wind up the anti-Communist campaign, Gen. Chiang Kai-shek returned to his headquarters at Nanchang, Capital of Kiangsi province, on August 24. While in Nanking on August 21 Gen. Chiang conferred with various officials of the Central Government and made preliminary arrangements for calling a plenary session of the Central Executive and Central Supervisory Committees of the Kuomintang prior to the convention of the 4th National Congress of the Party which is scheduled for October 10. Immediately following his arrival in Nanchang, President Chiang conferred with various military commanders regarding the final stages of the anti-red campaign, the consensus of opinion being that the end of this particular menace is practically in sight. Gen. Chiang is also supposed to be making certain political and military moves in Fukien, Kiangsi and Hunan provinces that are expected to hasten the liquidation of the Canton rebellion.

Of direct significance in connecton with the Canton situation was the seizure on August 23 and 24 of two large shipments of arms and munitions which apparently had been consigned from Germany to the Southern rebels. One steamer, the Rickmer Line vessel "R. C. Rickmers" which was brought into Shanghai by a Customs cruiser on August 24, contained two Junkers pursuit planes, 600 machine-guns and hundreds of cases of munitions and military-explosives. Another vessel, the "Bonus" also belonging to the same line, was brought into Shanghai the following day. According to a report published in *The China Press* the two cargoes of war materials were valued at several million dollars and were considered sufficient for a first-class war. As a direct result of these seizures, the Canton "National Government" has declared a boycott on German goods in South China. Although considerable mystery surrounds the affair, a report from *The Review's* correspondent at Hongkong stated that Canton was particularly indignant because the munitions were intended for use in connection with the contemplated drive into Kiangsi and Hunan provinces. The report from Canton stated that Gen. Chen Chi-tang had placed the order for the munitions with German firms and had paid over a considerable sum as bargain money, but the German Government had refused to permit the shipments to be made to the rebel faction. This apparently explains the routing of the ships from Manila directly to Shanghai instead of Canton as originally intended. The loss of these important consignments of arms and munitions will obviously place Canton under a serious handicap in connection with the military adventure which was in contemplation.

Madame Sun Yat-sen, widow of the late Kuomintang leader, who returned to China to attend the funeral of her mother, announced definitely on August 24 that she would not participate in the present political situation. In an interview with Agnes Smedley, an American woman correspondent, who represents the German *Frankfurter Zeitung*, Madame Sun declared that she would have nothing whatever to do with either the Canton or Nanking groups. She stated, however, that her political opinions remain the same as in 1927; that the revolution must be social in nature as originally outlined by the late Dr. Sun. "The revolution must be social in nature and must be based on fundamental changes

in society, otherwise it is not a revolution and merely a change in government....At the moment I feel we are turning aside from the Master's policy of leading and strengthening the people, hence I must withdraw until wiser policies prevail." But while not intervening in the present Naking-Canton squabble, Madame Sun has used her influence on behalf of certain foreign and Chinese Communists and Left Wing adherents who have been nabbed by the National Government and are now being held in Nanking. Madame Sun is residing at the Sun Yat-sen family home in the Shanghai French Concession and apparently intends to remain here indefinitely.

Madame Sun Yat-sen, widow of the late Kuomintang leader, who has returned to China from a long so-journ in Germany. Mrs. Sun is now residing in the old Sun Yat-sen residence in the Shanghai French Concession and has announced that she will not participate in domestic politics for the present. She declared, however, that she has not changed her previously held views regarding the real purpose of the Chinese revolution.

Tsai Yuan Pei, veteran Kuomintangist and president of the Central Research Institute at Nanking, stated on August 21 that the long-distance peace negotiations between Nanking and Canton officialdom is proceeding and that the welfare of the nation makes it necessary for peace to be secured. Declared Dr. Tsai, "It will not benefit Canton to employ armed force while the Central Government has always been reluctant to resort to arms. The dispute being connected with Party affairs, hence settlement must be by means of the Party. It is urgently hoped that the situation may be adjusted before the opening of the 4th National Congress in October." The official *Kuomin* service on August 19 issued a statement which professed to sense a more friendly attitude on the part of Sun Fo, late Minister of Railways at Nanking, who has joined the Canton Movement. Sun Fo sent a "mourning scroll" to the funeral of the late Madame K. T. Soong wherein he paid a high tribute to Madame Soong whom he termed his "grandmother," and to his brothers-in-law whom he designated as "pillars of the state." A dispatch from Reuter's correspondent at Canton, which was published in Shanghai on August 23 stated that while the Canton irreconcilables, includng the Leftist Wang Ching-wei and the Kwangsi faction will hold out against any compromise, other leaders in the South such as Gen. Chen Chi-tang and Ku Ying-fan are adopting a more moderate tone and no longer are holding out for the resignation of Gen. Chiang Kai-shek. According to the report, Canton is now divided into three factions. The interests of Ku Ying-fan and Gen. Chen Chi-tang are more or less identical and they are not so highly concerned as to the outcome of the negotiations except as it may, affect their positions in Kwangtung province. Their prime interests is the control of Canton and its revenues. Sun Fo, Gen. Hsu Chung-chi, Tsou Lu and others of the Western Hills clique were said to have a wider outlook. Their political ambitions have been more or less thwarted as Gen. Chiang Kai-shek's influence has grown hence their chief object is to obtain a greater influence in the Central Government. Finally there are the "irreconcilables" otherwise Wang Ching-wei, Eugene Chen and the other Leftists and the so-called Kwangsi clique of militarists including Generals Li Tsung-jen and Bei Tsung-chi. Their power has been competely curtailed and nothing will satify them short of the complete ousting of Gen. Chiang and his associates, an obviously difficult accomplishment. The more conciliatory attitude evinced by Gen. Chen Chi-tang, Ku Ying-fan and Sun Fo, in connection with the recent negotiations has been responsible for the "political illness" of Wang Ching-wei which caused the Left Wing leader to ask for leave of absence and proceed to Hongkong. A further element which has been responsible for Canton's more conciliatory attitude has been the serious financial situation in the South which has made a definite military effort practically impossible. Details regarding the Canton situation appear in telegrams further on in these columns but a dispatch from Canton which appeared in the *North-China Daily News* on Aug. 20 stated that all talk of an immediate military advance has died away. Reports which were circulated in

(*Continued on page 525*)

The Boycott Against the Japanese

BY C. Y. W. MENG 孟昭燏

AFTER the occurrence of the Wanpaoshan tragedy when the Japanese failed to comply with the Chinese demands, the Chinese decided to sever economic relations with Japan. When the Chinese declared a boycott on Japanese goods, the Japanese propagandists, helped by other propagandists of other nationalities, at once tried to tell the outside world that the Chinese boycott movement would not last long and would not hurt Japanese-Chinese trade; and that even the Chinese themselves are annoyed or disagree with the movement, etc. They even produce various statistics to show that the export of the Japanese goods to China for June and July is in excess of the corresponding months in 1930, in spite of the boycott movement.

The Chinese have exerted full efforts to carry out the movement. An Anti-Japanese Association was formed and sixty delegates from the Chinese merchants joined the Committee on Inspection and Examination of Japanese commodities. A decision was reached by the Greater Shanghai Chinese General Chamber of Commerce to form two committees, one to study the origin of the goods handled by firms which are members of the Chamber, and the other to inspect Japanese merchandise held in stock by them. Members of the latter committee will co-operate with the Anti-Japanese Association in inspection of Japanese goods after the expiration of the registration period.

Yen Yoh-sung, general secretary of the Anti-Japanese Association, told press representatives that the Association was going about its work in a quiet way and that considerable headway had been made during the past week. The merchants were voluntarily registering their holdings of Japanese goods and that, in his opinion, was a very good sign as it augured well for the success of the boycott movement. But, he said, it was highly essential that the laboring classes should be taught to use Chinese made goods instead of those made in Japan and steps would be taken to educate them in this respect.

Movement Helpful to Chinese Industries

When the movement is extended one of the lessons that the Chinese learn is the necessity of supplying themselves with goods without depending on anybody, least of all on Japan, who is now their enemy. In a letter addressed to the Chinese General Chamber of Commerce, the 30 local leading trade associations including the Piece Goods Merchants Union, the Silk Merchants Union, the Cotton Industry Union and the Provisional Trade Union, etc., after pointing out the fact that some of the Japanese goods are a necessity to the Chinese without which it would be necessary to close many of the Chinese factories, expressed the opinion that the importation of goods which are necessary for the maintenance of industry should be allowed, but that a special 10 percent tax should be imposed on them. The duty thus collected should be classified and deposited with Chinese banks under the supervision of a special committee for a period of, say, five years. At the end of that period the amount may be sufficient to open a number of Chinese factories.

It is further suggested that the tax collected on each kind of article should be used for the establishment of a factory to manufacture a similar commodity. For instance, if the tax is collected on cotton, it should be used for the construction of a cotton mill. Thus the boycott will have a far-reaching and beneficial effect.

In order to develop China's domestic cotton industry and to meet the keen competition of the Japanese mills, a scheme is under consideration by the merchants of Kiangsu and Chekiang to establish a new cotton yarn mill yith a capital of $1,000,000. Though more than half of the capital has been subscribed by the promoters, who are leading merchants of the two provinces mentioned, the public have been asked to do their bit by subscribing also.

The Anti-Japanese Association has addressed a letter to the Chinese Shipping Brokers Association stating that they are prepared to permit the transportation of Chinese goods by Japanese vessels between China, Korea and Japan, as no Chinese ships are available at the present time and Chinese trade will be seriously hampered if the Association prevents Chinese goods from being shipped to Korea and Japan by Japanese vessels. But the Anti-Japanese Association urged the latter association to take steps to develop the shipping industry of China.

The Anti-Japanese Association has also sent a letter to the Ministry of Railways recommending that the transportation charges for Chinese coal by the Government Railways should be reduced as a reduction would automatically lower the cost of native coal and it would enable the merchants to use Chinese coal and meet Japanese competition.

Five Year Boycott Plan

When the boycott movement against Japanese goods was started, the Japanese laughed at the Chinese and predicted that the movement would not last more than "five minutes." But just a few days ago, the Anti-Japanese Association approved of a scheme to introduce a "Five-Years Plan" so far as the enforcement of the boycott movement against Japan is concerned and, at a meeting of the Association's Planning Committee, it was decided to appoint a committee to draft the plan. The new scheme will, of course, be directed against Japan, and it will concern itself solely with industrial and economic matters.

Certain members of the Association consider that this is the best means of making the boycott movement a permanent one. The Chinese Chamber of Commerce is now taking an active interest in the movement to sever economic relations with Japan, according to a claim of the Anti-Japanese Association, and committees have been appointed to study the boycott situation and to inspect stocks of Japanese goods that may be held by Chinese merchants in Shanghai. In the course of an appeal to the people, the Chamber suggests that they should refrain from buying or eating Japanese sea products.

As the movement goes on, friction between the Chinese and Japanese is inevitable. The Japanese consul in Shanghai, as reported, has lodged protests after protests with the Chinese municipal government against the seizure of the Japanese goods but without result. The Japanese marines actually arrested four Chinese pickets of the Anti-Japanese Association "in the Chinese territory" which caused another wave of indignation and protests in Chinese circles. But the Japanese reply that the Japanese marines acted merely as "free protectors." Clashes between the Chinese and Japanese in Mukden and Tsingtao are also reported. Should the situation be allowed to last any longer, more friction with grave consequences is sure to occur.

The Japanese Chamber of Commerce in Shanghai, in its appeal to the Tokyo Government, after declaring continuous forbearance as a wrong polmy submitted the following suggestions:

> The Chinese National Government should issue immediate instructions to terminate the anti-Japanese boycott activities to be published through the medium of the vernacular newspapers.
>
> Disbandment of various bodies engaged in anti-Japanese movements with the least possible delay, and making it altogether impossible for them to carry on their operations any longer.
>
> The Chinese National Government should be held responsible for any consequence arising out of the anti-Japanese boycott activities and for compensation in settlement of damage, and so forth.
>
> The prepetrators of confiscation, detention, and so on of Japanese goods should be severely dealt with at once, no matter whether the goods belong to Japanese or Chinese.
>
> Definite measures should be adopted to ensure that no boycott activities such as the present may occur again in future.

At the outset of the movement, Gen. Chiang Kai-shek, in his circular telegram to the Nation, warned the people that they should not get too excited and must do everything within the legal limit. The Chinese Chamber of Commerce in Shanghai also adopted a resolution that the picketing and examination of the Japanese goods should be done by the merchants in order to avoid unnecessary conflict and trouble, injurious to international commercial relations. The Anti-Japanese Association would merely act as the supreme supervision authority in these matters.

By the above resolution, it is clear that the boycott movement takes the form of non-buying of the Japanese goods by the Chinese merchants. The activities of picketing are to cease. It is a purely legal and patriotic movement; the Japanese certainly could not say that the Chinese merchants *must* buy Japanese goods!

Nanking, August 20, 1931.

The Problem of Hangchow's Water Supply

BY TAM SAI FAN (譚世鴻)

THE position of Hangchow as the most charming scenic place on the China coast is hardly doubted by anyone who has seen the magnificent West Lake, the gigantic temples and monasteries, and the wondrous "bore". In fact, Hangchow gives enjoyment to all travellers, no matter what their particular tastes are, and for one who is historically inclined, it is simply fascinating to find the beautiful temples and impressive graves, from the most heroic defender of the nation General Yo Fei (秋瑾) down to an equally famous female martyr to the cause of the Chinese Revolution, Chiu Juen (岳飛).

The efficient service of the Shanghai-Hangchow Railway makes access to this beautiful scenery only a matter of a quick trip from Shanghai taking four hours and forty minutes, and foreign tourists to the Orient would doubtless be glad to seize an opportunity to visit the city which was once described by Marco Polo as the finest of cities. With the modern developments recently accomplished, Hangchow has practically attained to the degree of perfection except in the following:

The Lack of an Efficient Water Supply

At present the people in and around the city are depending mostly on the Lake for their water supply. The water in the Lake appeared to be quite clear and clean in the middle of July, when the writer was enjoying a pleasure trip there. To tell the truth, the water in the Lake is much cleaner than that used in cities where the system of supplying water thru pipes is lacking, but since Hangchow is not to be compared with other cities from the standpoint of the importance of its tourist trade, the early construction of an efficiently administered water works for the city is most desirable. Although the present municipal authorities have posted up proclamations forbidding the throwing of dirt into the Lake or the washing of clothes there, the extensive circumference of the Lake makes it rather difficult to bring about an effective police control. So it follows that the proclamation is just a paper one except along the public garden and at certain places directly under the eyes of the policemen. The writer was a personal eye-witness to a case where some maidservants belonging to the rich families residing on the sides of the Lake were washing clothes on one side while their neighbors were drawing water just a little distance off. The stagnation of the Lake water is another cause for complaint.

Owing to the lack of water works, the hotels in Hangchow cannot have flush toilets, although they are well equipped with modern conveniences including foreign styled bathrooms. It is rather amusing, if not astonishing, that most of the hotels in Hangchow demand additional charges for a regular bath even in hot summer. The reason is simply this: they have to draw water from the Lake, hence it means extra expenses which do not come under the hotel rent account. Why they do not include the bath expenses in the straight rent account is not known, but it is fairly humorous to assume that they do not expect every one to need a bath.

As the writer is not familiar with the technology of the construction of water works, he cannot say where and how an efficient water supply can be furnished, but judging from the number of natural fountains available on the hills and the proximity of the Tsientang River, it is not well-nigh impossible to work out a plan.

The Problem of the Beggars

Another matter of equal importance from the standpoint of furthering the tourist trade, Chinese and foreign, is that the beggars ought to be kept in their place and must not be allowed to infest the hills and scare away the tourists. It is not meant to conceal truth from foreign tourists and tell them that there are no beggars in China, for beggars appear everywhere in the world. It is, however, a matter of avoiding the thrill, nuisance, and disappointment for all travellers concerned.

The presence of a number of horribly disfigured persons, awful cripples, and diseased human beings gives the most painful sensation to every traveller, and their chorus for alms makes a shrill note most disgusting to the ears of a stranger. It is not the writer's intention to kill them all in order to get rid of the pests. They should be removed from the scenic places, and in the interest of humanity, be kept in a place where they can be taught to do at least something to earn a living. Every Chinese or foreign visitor should be asked to give a donation to help the poor and the disabled, or a small tax on tourinsts may be imposed for a charity fund. Tourists would have no objection to spending some money toward donations to charity.

The above problems are particularly interesting to the Hangchow authorities now, as the forthcoming Conference of the Institute of Pacific Relations is scheduled to meet there in October this year.

Wuchow, August 14, 1931.

Fifty-Eight China Universities Now on Government Register

A total of 58 universities, both private and governmental, and 27 technical institutions have registered with the government and are now enjoying recognition, according to Sun Peng-wen, director of the Higher Education Department of the Ministry of Education.

The number of governmental universities, at the time when the ministry was first inaugurated on July 1, 1929, was around 10, including the Central, Peiping, Chungshan, Wu-Han, Chekiang, Tsing Hwa, Tsinan, Tung Chi, Labor and Chiao Tung Universities. Peking Normal College and Pei Yang Engineering College subsequently became independent of government control in August, 1929.

In the autumn of the same year, the Tsingtao University was established, and the Canton Law School became the Canton Law College, following its reorganization. The Sino-French Industrial Academy was renamed Sino-French National Industrial College in March, 1931. Up to August, 1931, there were 16 colleges which were officially recognized as such,

With regard to technical institutes, there were only 10 in 1929, including the Hupeh, Tung-Pei, Shansi, Chengtu, Chengtu Normal, Honan, Anhwei, Chungshan in Sian and Chungshan in Lanchow. In the summer of 1929, various institutes in Hupeh were reorganized and as a result, the Law and Business College, the Industrial Institute and the Girl's High Normal were established by the Hupeh Provincial Government.

At the same time various institutes in Szechwan were combined into what was known as the Szechwan University.

In January, 1930, the high Normal department of the Kuo Min Normal School in Taiyuan became the College of Education of Shansi and the Chungshan University in Honan was renamed Honan University in February. The Mass Education and the Agricultural colleges in Kiangsu were reorganized and the college of Education was established. In the same month, the Tung Loh University in Yunnan became known as the Yunnan University. The amalgamation of various schools of law in Mukden took place in August and the Mukden University was organized. The Chungshan University in Lanchow was renamed Kansu Provincial College in April, 1931, while the Chungshan University in Sian was reorganized into senior high school. Last month the reopening of the Kwangsi University took place.

At first, there were only four registered private institutions namely, the Amoy, Nanking, Utopia, and Fu Tan universities. Later additions were the Shanghai, Kwang Hwa, Ta Hsia, Yen-ching, and Nan Kan Universities, in June, 1929, and Soochow University, Chung Hwa University in Hupeh, Peking Union Medical College and the Shanghai Law College. In 1931, Lin Nam University, Nan Tung College, China College, Chao Yang College, Ginling College, the comparative law school of the University of Soochow, the Medical College in Fukien, Kuo Min College in Kwangtung, Hangchow College, and Chih-tsi University were added to the registration list.

St. John's University Makes Application to Register

William Z. L. Sung, acting president of St. John's University, has announced that formal application has been made for the registration of that institution. The application has been filed with the Greater Shanghai Bureau of Education and will, it is understood, be referred by the Bureau to the Ministry of Education in Nanking.

St. John's had held out against registration for several years and as a result the Chinese Government had threatened to prevent the university from functioning next term.

China's Crying Need for Electric Industry

BY M. S. KWEI (新銘桂)*

HUNDREDS of millions of dollars have been consumed in innumerable military campaigns since the establishment of the Chinese Republic, many offensive and counter-offensive expeditions have been carried out with the avowed purpose of furthering the prestige and interests of the people, and to bring peace and prosperity to China's millions. No one dare venture to state that anything worthy of praise has been accomplished until the founding of the Nationalist regime. Yet much remains to be done both economically and politically. If only a fraction of the total expenditure that has been so lavishly thrown to the four winds by successive militarists, could be invested in reconstruction projects, China would be well on the road to mass industralization. Gigantic engineering enterprises would have become commonplace instead of being merely dreams.

With the advent of the industrial revolution which followed the improvement of the steam engine by James Watt in 1769 dawned an era of intensive industrialization and posperity in the West. Before the employment of the steam engine as a prime source of motive power, the potential industrial nations of Europe were yet slumbering in medieval bliss, much as China is still doing at present, unaware of the blessings and fruits of a machine age. What manufacturing was done had to be accomplished through tedious ancient manual methods. The art of standardization was unknown, and attempts towards the possible betterment of the product gained by a transfer of skill from man to machine were yet unheard of. The enormous increase of harvest through cultivation of extensive areas of land made feasible with the introduction of agricultural machinery was hardly dreamt of.

Once the true value of the machine was realized, economic progress in the western nations became extremely rapid. Then came a period of activity which paved the way for increased capitalization of industrial enterprises and adoption of scientific production methods that culminated in an age of economic supremacy such as the world has never known, as is enjoyed to-day by the leading powers of the West.

Relation of Electricity to Industry

It was not until Benjamin Franklin demonstrated to the world with his well known experiment of flying his kite in a thunderstorm that the mystery of electricity could be explored, and that this medium might be harnessed to serve humanity in its manifold duties as is commonly recognized to-day. During the last decade, electricity has indeed proven to be the indispensable medium to man, an all-powerful agent the versatility of which is unparalleled by any other medium ever discovered on this earth. The immense versatility of electricity may be seen from the innumerable popular applications of this agent as a source of power, heat and light. Later it has become man's faithful ally in the field of radio communication, as a means of inducing electro-magnetic vibrations in the ether, and lastly it has even entered the realms of medicine wherein the stimulative and curative properties of ultra-violet rays are fully utilized.

That an intimate relationship existed between electricity and successful modern industrial enterprises is now well recognized. In general, the electrification of manufacturing processes where steam or the internal combustion engine has been used heretofore as a source of motive power tends to bring immeasurable benefit. Electrifying an industry usually facilitates the manufacturing process, due to the flexibility and versatility of electricity as a power source, as well as when employed as a means of control. Ease of control makes an ultimate improvement in the quality of product possible, and this is often accompanied by a speeding up of the manufacturing process, whereby an increased number of units in production is obtained. This further results in reduced unit cost of the product.

In the industrial history of both the United States and Europe, many instances may be cited where the introduction of electricity into industry has brought beneficial results. Not only as a source of mechanical power, but also in many other phases does this medium play an important part in enhancing the welfare of a people. The judicious application of electricity will generally bring prosperity and raise the social level of the masses. There is ample evidence of this in the United States, a country which may boast approximately 75 percent of her industries already electrified, and which stands to-day indisputably as the most prosperous and most highly industrialized nation of the globe.

A glimpse of the following data cannot fail to impress the reader with the idea of the enormous number of industries wherein electricity finds wide application, and the relative magnitude of these projects:—

Industry Group	Electric Generators in Kilowatts	Motors driven by Energy generated in Established H.P.
Food and kindred products	474,371	632,279
Textiles and their products	1,005,723	1,055,750
Lumber and allied products	611,817	829,405
Paper and paper products	716,230	990,050
Publishing and printing	25,043	31,783
Chemical and allied products	380,681	429,234
Products of petroleum & coal	288,752	502,169
Rubber products	165,618	206,362
Leather & its Manufactures	114,978	134,103
Stone, Clay and Glass Products..	523,481	730,171
Iron & steel & their products excluding machinery	1,688,703	3,605,699
Non-ferrous metals & products..	232,847	298,712
Machinery not including transportation equipments	502,631	865,413
Transportation equipment, air, land and water	351,015	473,944
Railroad repair shops	172,310	264,289
Miscellaneous	111,485	157,616
All industries, total	7,366,535	11,206,979

Note—From *Electrical World*, Feb. 15, 1930.

Manifold Uses of Electricity

In the iron smelting industry, which thrives in regions placed in the proximity of vast deposits of iron and coal, as well as the automobile manufacturing industry which owes its success to an abundance of both steel and electricial power, and centers about Detroit, Michigan, the romance of the electrical age has been impressively demonstrated again and again to those who once doubted the merits of electrical applications. Particularly in the electrolytic extraction of copper and aluminum from the ore, the introduction of electricity into these processes has revolutionized these industries. It requires little imagination to picture the calamity that may befall a country such as the United States if the all-faithful servant, electricity were suddenly withdrawn from various industries outlined above, and no one will dare to predict the devastating consequences.

If one examines the present condition of Chinese industries one is not surpised to discover that there are but few which can be considered on a par with manufacturing projects such as exist in the west. Excluding a handful of pioneering institutions which have been modeled somewhat according to Western standards, notably the Nanyang Bros. Tobacco Co., The A.B.C. Underwear Co., The Wing On Cotton Mills Co. and other cotton factories, a few match and paper manufactories etc., the majority of the basic industries is still in an embryo stage. There is in existence to-day a hoard of basic and domestic native manufactures such as, products from teak, bone and ivory, leather, porcelain, soya bean cake and bean sauce, paper, bamboo, stone, native jewelry, metal wares and even the making of tung oil, and many others too numerous to mention, which are still being contentedly but languishly made by old handicraft methods, as were popular for thousands of years. Nor are these enterprises supplied with sufficient financial resources and organized on a large enough scale to bring a monetary return to enable the owners to lead more than a "hand to mouth" existence. While scientific methods are responsible for the West to produce thousands of units per day, can China keep pace with progress in modern manufacture by yet pursuing obsolete ancient methods?

Since the basic industries of China are to-day in a precarious state, in part as one aftermath of the ravages of successive internal warfare, the import of commodities essential to the people's livelihood seems to increase alarmingly from year to year....In spite of the inability of the masses to produce the necessities for

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sustenance of life, the craving of a certain social stratum for foreign manufactured commodities is now becoming daily more acute. Let it be granted that the raising of import duties on foreign goods as embodied in the new Tariff will dampen the taste for foreign articles, particularly in the nature of luxuries, there still remains the problem of reorganizing China's own industries so as to stem the flow of gold into foreign lands expended for basic commodities, articles of food and clothes indispensable to the daily life of China's four hundred millions. The following represents a list of the more important industries which the writer believes should be given a attention:—raw silk, manufactured silk, textiles, cotton, raw and manufactured; flour, and wheat as a basic material for flour; paper, matches, tobacco, sugar, salt, wood, lumber and its products.

The Importance of Electricity

An important relationship exists between electricity and industry. To enable China to rise to an equal footing economically with other industrial nations, her manufacturing methods and various industries must be reorganized 'en masse'. This requires a complete change from manual production methods to mechanical means of manufacture, wholesale adaptation of machinery in all her basic industries including agriculture, and the extension or improvement of existing enterprises which have already been modeled according to western practice. Inasmuch as there is a hoard of daily necessities which the Chinese are obliged to obtain from foreign lands, it is inconceivable that cheaper and more rapid methods of production have not been introduced long ago. A comparison between manual methods of manufacture and machine production is given herein to show the significance of the piight of a nation which has not awakened to the merits of the machine.

Kind of work	*By hand*	*By machine*
Spinning cotton	300 girls	1 girl
Making corkscrews	59 men	1 man
Lifting stone while repairing Cologne Cathedral	360 men	2 men; 1 crane
Produce 1 bushel of corn	270 minutes	41 minutes
Iron output per man per day	500 lbs.	5000 lbs.
Lumber output per man per day	100 feet	750 ft.
Nails output per man per day	5 lbs.	500 lbs.
Shoe output per man per day	1/4 pair	10 pairs
Coal output per man per day	1/2 ton	4 tons
Paper output per man per day	20 sq. ft.	200,000 sq. ft.
Threshing wheat	135 men	1 man
Plow 1000 acres	500 men; 1000 oxen	10 tractors
Mens boots	9 hours	1 hour
Cotton sheeting	106 hours	1 hour
Woolen shirts	76 hours	1 hour
Brussels carpets	8 hours	1 hour
Butcher knives	29 hours	1 hour
Marble slabs	539 hours	1 hour
Lead paint	17 hours	1 hour
Making plows	32 hours	1 hour
Twine	110 hours	1 hour
Iron pipe	18 hours	1 hour
Tamping ties	4 men	1 man
Track lining	4 men	1 man
Ash handling	12 men	1 man
Cutting wheat	2 acres, with horses	18 acres, with tractor
Picking cotton	10 men	1 man
Cutting stone	8 men	1 man
Bottle making, Owens	18 men	1 man
Setting type	4 men	1 man
*Digging iron ore	500 men	1 steam shovel

*From "Men & Machines" by Stuart Chase.

It has been often stipulated that if China should adopt machinery on an extensive scale, it would spell the doom of millions of her laboring class. Those who hasten to such a conclusion have failed utterly to give the problem a thorough and unprejudiced analysis. While the output of bare necessities is far from sufficient to meet the demands of the masses, as shown amply by the large imports of flour, textiles, lumber, sugar, matches and tobacco etc., China is unlikely to suffer the ills of over-production for many decades to come. When a saturation point has been reached in supplying our own needs, a vast foreign market would have been created to utilize the surplus. China then would have ample time to revise her industralization policy, having profited from the experience of western nations.

Students of Chinese economics are aware of the fact that imports to China exceeded her exports greatly in the last few years. In the year 1929, the imports amounted to approximately $1,040,000,000 Mex. while her exports were only $552,000,000 Mex., giving an excess of imports to exports in the neighborhood of $488,000,000 Mex. annually. Is there any wonder that China is being gradually but surely impoverished, that the buying power of a quarter of the population of the globe is rapidly reduced to its present level?

It is not difficult to conceive that the only solution lies in a complete rationalization and reorganization of her basic industries. Instead of allowing the progress of Chinese industries to pursue their natural course of intermittent periods of hardship and normal growth, leaders are urged to divert their energy from petty political squabbles and concentrate on problems of reconstruction. One may even suggest that a leaf be taken from the Russian "Five year plan" as regards development of Chinese agriculture and employment of machinery in industries.

Detroit, Michgan, July 11, 1931.

Chinese Student Communist Not Yet Deported from U. S. A.

According to a report which appeared in *The New Republic* (New York) on July 29, the U. S. Government has not yet deported Tai Hsuan Li, the Chinese student Communist, who allegedly was involved in an intrigue to "overthrow" the American Government. The delay in Tai Hsuan Li's deportation has been caused by a further court action instituted by some of his friends to prevent his deportation, or at least his deportation directly to China where it was feared he would be executed. According to a report which appeared in *The Review* on July 11, Tai Hsuan Li was ordered deported last May following a court action in New York which found him guilty of seditious activities. A serious riot developed at Battery Park, New York City, when Tai (or Tao) was being escorted to Ellis Island immigration station for deportation. As a result some of his friends brought a further court action to delay his deportation. A number of professors in Columbia and New York Universities sent a telegram to President Hoover protesting against the deportation.

Growing Agitation Against Chinese in Mexico

Sam Young, the Chinese Minister to Mexico, has registered emphatic protests against the campaigns in the states of Cinalo and Sonora, which are said to be designed to compel all Chinese to leave the country.

An organized anti-Chinese committee in Mexico reinforced by several Federal Deputies has announced that it intends to start an intensive campaign in all Mexican states against Chinese merchants and traders. Many Chinese are in a serious position. Even those who desire to leave Mexico do not have the funds to return to China and they cannot, because of the American laws, make arrangements to cross the border into the United States even temporarily.

Oxford's New Religious Movement

The London *Sunday Referee* of July 12 gives prominence to an article by A. J. Russell on "Oxford's New Religious Movement." The article says that already the new religious movement centred in this remarkable house party is awakening the most somnolent of all sleepers—the intellectuals. B.A.s, M.A.s, LL.B.s, M.B.s, Honours men and women in great number, and many Oxford Dons are to be seen at the meeting rooms in the three colleges or strolling together arm-in-arm on the rosebordered lawns discussing nothing more intellectual or scientific than "Christ the Wisdom and Power of God" and the need of daily self-surrender to Him as the solution of life's riddle.

The Chinese Language in Fifty Ten-Minute Lessons!

BY PROF. W. A. SCHARFFENBERG

Lesson No. XXXIII

ACQUIRING A NEW LANGUAGE

(Continued from last week)

The following remarks by Harold E. Palmer will complete our remarks with reference to the most successful method of acquiring a new language:

"And what happens in the case of the adult, of one who starts his second language from fifteen to twenty years after he has acquired the first? The same thing generally happens as in the last instance quoted, but in a more marked degree. The same interference takes place; the use of the eyes inhibit the use of the ears; the utilization of his conscious and focused attention militates against the proper functioning of the natural capacities of assimilation. Moreover, he is encouraged and trained to use the non-natural methods, he is directed by his teacher to pay attention to everything, to use his eyes, to memorize spellings (generally non-phonetic); his books show him how to analyse, they provide him with exercises calculated to make him concentrate on the detail, and in so doing to miss the synthetic whole. Examine the adult who is supposed to have 'learnt' a foreign language; in the majority of cases you will find that his speech is pidgin-speech, that his sounds are wrong and wrongly distributed, that his inflexions are inaccurate, that his sentences are constructed on the model of his native language, that he uses foreign words in a way unknown to the native users of these same words. Inquire in each case how the person acquired his knowledge, and you will find that he acquired it by dint of exercising his capacities for study.

(To be Continued)

CHARACTER STUDY

Character No. 161 (便2-4)

Cheap, Advantageous, to Profit. Convenient, handy, then, even, if.
Pronounced (I. P. S.) p'en (R) P'ien (aspirated) when in the second tone, and unaspirated when in the fourth tone.
The character represents a man 亻 who 更 changes improves or settles his affairs in a way that is not only convenient to himself, but also of profit or advantage to himself.

Character No. 162 (宜2)

Proper, advantageous, must, apt, ought, should.
Pronounced (I. P. S.) I (R) I
The 宀 roof of a house, 一 the ground, and 多 or 月 the many things between the roof and the ground of a house, all of which are supposed to be conveniently and properly arranged in a suitable and appropriate order. By extension it has also come to mean fit, harmonious, right.

Character No. 163 (世4)

The world, an age, a generation of thirty years.
Pronounced (I. P. S.) ʃɪ (R) Shih
A period of thirty 卅 years, supposed to represent the period of man's active life. The left stroke is lengthened to denote the prolongation of life. Hence its meaning, an age, a generation.

Character No. 164 (界4)

A boundary, a world.
Pronounced (I. P. S.) tsiaI (R) Chieh
A combination of 田 a field or lands, and 介 boundaries, or limits. Hence the idea of a boundary, a dividing line between two countries, and by extension, the world.

Character No. 165 (商1)

A merchant, commerce, to consult, to deliberate.
Pronounced (I. P. S.) ʃan (R) Shang
The character used at the present time to represent trade or commerce, although meaning to consult, to deliberate, was also used by the ancients to represent commerce, for in all business dealings there was a great deal of discussion, consultation, and arguing before paying for any goods purchased. This seems to hold good even in our present day, for very little buying is done without a great deal of dickering, especially in this time in the interior.

VOCABULARY LIST

501. 便飯 — Common every day food.
502. 便當 — Convenient.
503. 便是 — That is, then it is.
504. 便宜 — Cheap, advantageous.
505. 世界 — The world.
506. 新世界 — The new world.
507. 世人 — Mankind.
508. 世事 — Worldly affairs.
509. 商界 — The commercial world.
510. 商人 — Commercial men, traders.
511. 學界 — The educational world.
512. 女界 — The women's world.
513. 工界 — The labor world.

SENTENCE WORK

351. 我們到新世界去好不好 — Let's go to the New World? What do you say?
352. 很好在那裏我們可以吃一點便飯 — Fine, there we can get a bite to eat.
353. 那樣是很便當 — That's very convenient.
354. 那個地方的東西也很便宜 — Things are also very cheap there.
355. 近來商人不好過 — The commercial men are not faring well of late.
356. 生意不好所以商界的人有一點不好過 — Business is poor and therefore the men of the commercial world are not feeling so well.

READING LESSON VIII

念　課

第八課　會朋友

會見朋友的時候、先要說早早 也可以說先生好麼！先生貴姓府上在甚麼地方！若是朋友問我貴姓、我們要說敝姓甚麼朋友到我們的家裡來　就要說請進來！「請坐請坐」也要問朋友用過了飯麼　這一些話都是會朋友的時候要說的！朋友去的時候　要說再見再見　也可以說明天會

These simple lessons in the Chinese written and spoken language, the first of which appeared in *The China Weekly Review* on Jan. 17, will appear throughout 1931. Persons interested in a more intensive study in class work or by correspondence are requested to communicate with Prof. Scharffenberg, are THE HOME STUDY INSTITUTE, No. 25 Ningkuo Road, Shanghai.

Shameen---the Foreigner's "Sanctum-Sanctorum" at Canton

BY EDGAR SNOW

(Reprinted from The New York Sun)

MANY rice boats have floated down the Pearl River since it carried the first Portuguese navigators up to the portals of Canton. That event, according to Portuguese historians, occurred in the fifteenth century.

Unfortunately for those who came after them, these early European visitors failed to make a favorable impression on the prideful Chinese. "Free companions" they were, probably more familiar with piracy than honest trade, and the Chinese may have been justified in refusing to permit them to enter Canton.

Lagging two centuries behind the adventurers from Lisbon came the stolid Dutch, who sought legitimate commerce with this southernmost port of the Empire. They fared better; the Chinese offered them for purposes of trade and residence a tiny island adjoining the city. But the Dutch, doubtless more ambitious, haughtily refused it. Time proved their decision hasty. Today that land is the most valuable in Canton. Hollanders resident here now endure the jest of hearing it called the "Dutch Folly."

Not till early in the nineteenth century were white men permitted to dwell in Canton. Even then their colony, known as the "Factories," was kept outside the city's massive walls. Rapidly the settlement grew, despite the hostility of Manchu officials. By 1820 it included a number of Americans, Englishmen, and Europeans of various nationalities. It was the beginning of major Occidental influence in China and the initial thrust of modern Industrialism in the East. It was the precursor of the Euro-Asian trading communities found today in all great ports of this country.

Long ago the "Factories," pathetic little street of mud-ramparted compounds, were superseded. For more than 70 years now foreigners have done business from the esoteric isolation of Shameen, a green little blister clinging to the Canton Bund.

Separated from the mainland by a fifty foot moat-channel of sampans and putrefaction, Shameen is reminiscent of the difficult past. It is symbolic of the gap that still yawns between mutual comprehension of East and West. Aloof, dignified with its fine old banyan-shaded esplanades, it is full of a Victorian sort of solidity, oddly untouched by the new Chinese city that lies beyond its two ridiculously brief, but well-guarded bridges.

If you are on deck in time, you can see Shameen, off to the left as your steamer pulls in toward Canton. But the view is hardly worth interrupting sleep. Dream on, for regardless of your own wishes in the matter your luggage coolies will be sure to lead you, when eventually you awake, to the foreigners' sanctum sanctorum. It is even conceivable than you may be grateful for this refuge at the edge of what appears to be all chaos, but in reality is nothing more disagreeable than a noisome Chinese waterfront.

The Arrival in Shameen

From your boat-landing it is only a few minutes to the French bridge, which joins the eastern end of the diminutive island with an otherwise all-Chinese city. Crossing it, you are saluted by a French marine, armed with a bayoneted rifle. And on the other shore is an Annamite, similarly attired, who repeats the gesture like a puppet, till you puff with a new appreciation of your importance in the world. You are in Shameen. To be more precise, you are in French Shameen.

When the foreign opium dealers took over this concession in 1859 it was only a dismal sand bar that disappeared at high tide. The Chinese thought the Europeans mad to accept such a site. Manchu officials, who considered that they had played a clever joke on the white merchants, sniggered up their wide silk sleeves. But, unlike the disdaining Dutchmen, the French and British viewed their grant seriously. Around it they erected high stout stone retaining walls. Between them they dumped enough earth to fill in an area of 44 acres. Much to the chagrin of the astonished Asiatics, they built and cultivated their colony till even the Viceroy admitted it was more habitable than any spot in the city of the "Broad East", Canton itself.

The cost of reclaiming Shameen was $325,000, in Chinese silver. Four-fifths of the amount was underwritten by the British; the balance was supplied by the French. Proportionately the settlement is owned today by France and England, each country maintaining its separate government for its little patch of territory. Other foreigners are tolerated as residents, but no Chinese, save menials, may dwell here. All told, the foreigners number about 700, and require the presence of some 2,200 Chinese servants to look after them. There is a considerable sprinkling of Americans. The American Consulate is in Shameen, as are also the consulates of Belgium, Italy, Japan, Portugal, Sweden, the Netherlands, and, of course, the colony's co-proprietors.

No rickshas are permitted on Shameen, no automobiles, no horses. Unless you ride a bicycle, roller skate, or succumb to the whimsicality of a palanquin, thereby inviting amused stares from the residents, this is one place in China where you have to employ the means of locomotion with which foreigners in the Orient so often forget they are endowed: i.e, the human legs.

Walking is pleasant. The three longitudinal streets of the island are pairs of wide footways, divided by long strips of green, shaded with great leaf-heavy trees, sweet with gardens' breath and overhung by a soporific quiet, sharply antipodal to the crowded *ma-lus* of China, only an archer's shot away.

The Zoo That Was

Flanking the geometrical precision of office buildings and homes, substantial and European in architectural front and interior design, are rows of tennis courts, bowling greens and a cricket field. In one place there is a children's playground, while on their end the French have installed an edifying exhibit once intended as a zoo. Decadence has engulfed it, alas! till the most ferocious of the remaining beasts is a loquacious, flee-bitten monkey whose ludicrous attempts to scrape the few remaining hairs from his ancient rump afford a spectacle of perennial delight to the servant population and the French marines.

Following the generous cement walk that encircles the island, you come to the Victoria Hotel, whence Thomas Cook and the steamship companies diligently direct all passing foreigners. In Canton there is now the eight-story New Asia, which offers certain advantages over the Victoria. It has showers, running hot and cold water, an American restaurant, and floors that do not slant at a 20 degree angle. But of these remarkable innovations pallid complexioned visitors seldom hear. Meekly they follow their guides, who from force of habit, or the promise of fat "kumsha", escort their charges to the Victoria.

The "manager" of this quaint caravanserai is a half legendary Englishman named William Farmer. Not many of his customers ever succeed in facing him on the premises, nor are the evidences of his direction any more readily discernible. But in the grill room are some brave oils and pastels which are signed, in quite legible 3-inch letters, "Wm. Farmer", so the individual undoubtedly exists. His gallery, by the way, is worth inspecting. There is none of this modernistic nonsense about it. Mr. Farmer thoughtfully has labelled each picture with legend so large that even myopic folk cannot possibly mistake a Soochow canal for a drawing room scene in London.

Actually, the hotel for many years has been mostly owned and operated by Chinese. But here, as elsewhere in foreign concessions, no Chinese can hold property in his own name. So the Victoria's Cantonese owner-mortgagors are obliged to keep their possession a *sub rosa* affair and subscribe to the fiction of foreign management. Indeed, capital is made of this point, for in English-language newspapers up and down the China coast, this establishment advertises itself as "the only hotel in Canton under direct foreign supervision."

That statement fails to take cognizance of the Japanese, who also have a hotel on Shameen. But the Nipponese have never objected to the absent-minded British method of censusing the non-Chinese population of treaty-ports as so many "foreigners *and* Japanese", so perhaps they see nothing misleading in Mr. Farmer's

newspaper advertisements. Anyway, the Japanese "Shameen Hoteru" does not clamor for white patronage. It is a stern gray edifice that resembles a Chinese warehouse-pawnshop and little suggests the paper windows and June roses of Tokio's charming *yado-ya*. Behind its iron-shuttered windows that are never opened the hotel flourishes, principally by obliging Japanese sailormen in romantic distress.

There is a Japanese sukiyaki house, also, which is well patronized by seamen and foreigners of all nationalities. Next to it is a Japanese beauty parlor. Here courtesans of Chinese politicians come to have their nails manicured, their bobbedhair waved, their vague eyebrows all but completely removed. It is alleged by some that the real motive of their frequent visits is to promenade before the admiring male onlookers in front of the Victoria and the Sailors' "Y" in what the missionary ladies describe as their "sinful silks."

Wholly without relevance to the above gossip, Shameen is considered the most attractive real estate buy in the neighborhood of Canton. Certain residences and business buildings here have been financed, or taken over, by Chinese capital, the property titles ostensibly remaining, however, in the hands of privileged foreigners. Shameen is the one spot where the burgeois merchants—or Kuomintang officials—may rest their profits with serenity. It is the one place where money may be invested today with the reasonable certainty that the property will not be confiscated tomorrow. Shameen alone continues unchanged in status, despite all vicissitudes of politics and the vagaries of what seems to be rather loosely termed the "government" of Canton.

Shameen guarantees safety of person, as well as purse. Dethroned Chinese generals in the past have sought haven behind the protection of foreign gunboats here. Latterly the preference seems to be for Hongkong, toward which an entire government has been known hastily to retreat down the Chu-kiang, without previous notice.

A Haven for Eugene Chen

Sometimes, in emergencies, Shameen is still used. Eugene Chen, formerly Minister of Foreign Affairs for the Nationalist Government, found his British passport convenient when for two days he is reported to have hid in Shameen while his enemies were scouring the alleys of Canton for him. When Chang Fah-kwei's rebels were bombarding Canton, the Warlord-Governor, Chen Ming-hsu, hurriedly sent his wife and valuables to Shameen. There they were kindly received by the Chinese compradore of a foreign banking institution with which the Governor intrusts what is reliably said to be a large personal fortune in Hongkong dollars.

Despite this official confidence in its tranquility, there have been times when Shameen was not a healthy region. The latest of these was in 1926, during what has become known to the world as the Shakee Affair. On June 23rd of that year a crowd of several hundred armed students, soldiers and agitators, excited by Red propaganda, led by Russians, marched to the foot of the British bridge and conducted a mass demonstration directed against the "Shameen Imperialists." Inevitably, trouble ensued.

Foreigners do not agree among themselves as to who fired the first shot, though unanimous in the opinion that it came from the Chinese. Some of them declare it was a Whampoa cadet. Some say it was a Russian. One "eye-witness" maintains that a frenzied chauvinistic student, aiming at a missionary across the canal who had once taught him English, started the tragic encounter. The British Counsul-General swears over oath that it was a Chinese soldier. Despite all this excellent testimony, the Chinese still insist that the fatal bullet was sped by an English resident of Shameen.

The engagement lasted for about 20 minutes. Chinese soldiers, urged by their Russian advisers, tried to take the British bridge. A line of bluejackets held it, with machine guns. From behind barbed wire entanglements, from within barricaded guard houses stretched along the Shameen Bund, French and British soldiers and sailors returned the fire of the Chinese across the canal. About 120 Orientals were killed or wounded. Foreign casualties were slight, with a Frenchman killed and half a dozen British soldiers wounded.

Following this incident there occurred a strike of all Chinese employed on Shameen, and an extensive boycott of Great Britain and British goods. For six months the luxury-loving taipans on the island had to scramble their own eggs, sweep their floors, and light their own Havana cigars. It was terrible. Some of them found their domestic tasks so exhausting that they closed up their offices and moved to Hongkong. By the time the strike was settled, the surviving foreigners were almost willing to forfeit their cherished extraterritoriality rights in exchange for Chinese cooks and some minions who would obediently answer, "Yes, mastah!" to the imperious call of "Boy!"

Shameen as an Anachronism

Shameen, observed from the Chinese viewpoint, continues to be an anachronism that sorely irks what is often called the "rising spirit of Chinese nationalism." This viewpoint was once lucidly put before the writer by a world-travelled Chinese, who emphasized his reasoning by projecting a hypethetical condition in New York.

"Suppose, for instance," he said, "that Blackwell's Island in the East River were not a prison, but a concession owned by the Chinese. Suppose they had gunboats to defend their independent government, and a bridge, connecting with New York, but guarded by Chinese marines. No Americans, except domestic servants, could live there. No Americans could even visit the island after 10 p.m.

"The Chinese could not be touched by city, state, or federal authorities. They would be subject only to their own consular officials. They would pay no land taxes to New York or to the United States. They would have on their island Chinese schools, Chinese newspapers and Chinese clubs. Americans would not be admitted to the latter. Only a small fraction of these Chinese would ever learn to speak English. That would be Shameen in New York City—with the skin-color of the concessionaires and servants reversed."

Is it fair to draw such a parallelism? Foreigners say that it was the incorrigible truculence of the Chinese, which forced them to establish the nearly autonomous colony of Shameen. That is true. The Chinese wanted, perhaps the majority still want, to exclude Occidentals from their country. But it must be remembered that, in the beginning at least, they had justifiable grounds for their policy of exclusionism—the desire to keep out foreign opium. That may have been merely a pretext, as many authorities assure us. But you wonder if perhaps it was not equally as defensible as the reasons advanced for our present closed doors against Oriental immigration.

One of the commonest arguments in support of our refusal to admit Chinese into the United States is that they are "non-assimilable." Chinese could make the same charge against Europeans in China. Consider the resident of Shameen.

Your nineteenth-century-minded Shameenite rarely crosses over what he dubs the River Stinks more than twice a week—and then only under the provocation of "super-attractions" at Canton's talkies. He prefers to do business through a "compradore" or through an interpreter, rather than directly with his Chinese clients. At his elbow is the moving drama of a nation in epochal change. But this does not interest him, except as it concerns his business. He shuns Chinese friends except for business purposes. Rarely does he include Chinese among his guests, except for business purposes. He believes that to study the Chinese language is to sacrifice social prestige. He considers it a mark of eccentricity for a foreigner to exhibit interest in Chinese art, music, poetry or the theatre. If an acquaintance actually confesses to an affection for what the Chinese are so fond of calling their "three thousand years of culture", he puts him down as a bore, a nut, perhaps both.

Fortunately these orthodox Shameenites of the old school are becoming rarer. It is the British who appear to cling most tenaciously to the traditions of yesterday. Among many Americans, and nearly all Germans and other Europeans, the present tendency is to take an alert, democratic concern with what is happening around them. Perhaps this does not mean that there are more sinophils than formerly; the change is probably strictly a matter of economics. For the Cantonese, who are gradually becoming westernized in their business methods, no longer wish to transact through a middleman; more and more they insist on direct contact with foreigners to whom they sell or from whom they buy. Today it is men prepared to meet them on a basis of social as well as commercial equality, men educated to talk to them in their own tongue, who are laying the foundations for sound relationships of the future.

No one appreciates this last fact better than our present consul-general in Shameen, a gentleman whose long service in Japan during that nation's great tran-

(Continued on page 511)

Hangchow Conference Will Study Vital Pacific Problems

BY LIU YU-WAN

SIX years ago a group of business men met at Honolulu to discuss ways and means of fostering, from the people's point of view, world peace and international understanding. The result was the establishment of the Institute of Pacific Relations. With that humble beginning, the Institute has successfully called three conferences, the first two at Honolulu in 1925 and 1927, and the third in Kyoto, Japan, two years ago. Its fourth conference will take place this year in Hangchow, China, from the 21st of October to the 4th day of November. The conference, needless to say, is biennial.

Like many other good things which have "arrived," the Institute of Pacific Relations has been having a steady growth. Today, with its central secretariat at Honolulu, serving as clearing house for no less than seven national institute groups, with all its committees and sub-committees for research and publications, the Institute of Pacific Relations has become a going concern, with ever increasing prestige and ever increasing responsibilities, as a world force for good. It has "arrived;" it is the hope of the writer that it will stay.

Not an August Body

The Institute of Pacific Relations is not an august body. Its object is "to study conditions of the Pacific peoples with a view to the improvement of their mutual relations." Unlike other societies or leagues of preponderous importance, it does not cherish high hopes nor indulge in pious wishes. Like a schoolboy, shy and unassuming, it approaches the mighty Pacific Ocean with the humble object merely "to study."

Nor is the Institute an official body. Governments as such have no part in it. It does not help nor receive help from any of the Governments of the different national Institute groups. Yes, on its membership list, we do find officials of high rank and statesmen and diplomats distinguished in government services; but while they are active in Institute affairs they are obliged to sever connection with government offices and vice versa. When Dr. Ray Lyman Wilbur become secretary of the Interior in President Hoover's cabinet, he resigned his office as the first chairman of the Institute. That precedent was followed a few months later by his successor, Mr. Junosuke Inouye, who joined Mr. Hamaguchi's cabinet as Minister of Finance. It has become the unwritten law, therefore, that the Institute should absolutely have nothing to do with government.

As a corrolary to this, the delegates from different national groups who attend the Institute's biennial conferences, represent nobody except themselves and do not speak for anybody but themselves. They are absolutely free inside and outside of the conference rooms, and they cannot be held responsible for their utterances wise or otherwise.

Different National Units

These delegates are chosen from different national units. And everyone of these units is a "National Council, organized for the purposes of the Institute, or an organization of similar purposes, in any sovereign or autonomous state lying within or bordering the Pacific Ocean, or having dominions, colonies, dependencies, territories, mandated or otherwise, in the Pacific area, subject to its being approved and admitted to membership by the Pacific Council as hereinafter constituted. Each constituent country shall have one National Council or equivalent organization hereinafter referred to as the National Council. With the approval of the Pacific Council, independent local groups may be organized in an eligible country which has not created a National Council." (Art. II of the Constitution.)

Up to the present the Institute has seven member Councils, namely.

1. In Great Britain, the Royal Institute of International Affairs, London.
2. In Canada, Canadian Institute of International Affairs, Montreal.
3. In Australia, Australian Institute of International Affairs, Melbourne.
4. In New Zealand—New Zealand Council of the Institute of Pacific Relations, Wellington.
5. In Japan—Japan Council, Institute of Pacific Relations, Tokyo.
6. In China—China Institute of Pacific Relations, Shanghai.
7. In the United States, American Council of the Institute of Pacific Relations, New York.

In addition to this, negotiations have been begun for participation of groups in France, the Dutch East Indies and Soviet Russia. There are already cooperating committees in the Philippine Islands and Korea. A liaison is also maintained with the International Labor Office and the League of Nations.

Three Fields of Work

The work of the Institute is carried on in three fields: research, publication and conference. The last of the three is of course the most spectaular, although research and publications are of equal importance. It has been common that many delegates go to attend conferences of different kinds with practically no preparation at all beforehand. They cannot be expected either to listen or to be listened to intelligently. Hence many such conferences simple "flop." The men and women who have been charged with the guidance and direction of the Institute see the importance of preparations made before and after the conference. A large scale of research work on all pertinent matter is rigidly and regularly carried on during the interim by different national groups, and data papers as well as informational documents are published from time to time, both for conference use and public dissemination. To use the words of Mr. J. M. Davis, the former General-Secretary of the Institute, "The Institute's method is conceived as a continuous process in which conference, research and information each play a part and mutually supplement each other."

When the Fouth Biennial Conference meets in Hangchow next fall, we should not view it as a distinct international event It is more than that. It is also a part of a well conceived continuous process. When the conference adjourns, its work will not stop. The process will continue and continue. Chuagtze said, "Life is limited but knowledge knows no bounds. International understanding cannot be acquired in two weeks. The more we learn, the more we know; the more we know, the more yet to be known.

The Conference, like the Institute, is not an official one. As stated above, the delegates do not represent anybody. They come as individuals. They have no authority behind or above them. They will not reach any conclusion nor propose any action. Even unanimity of opinion is not sought. They have agreed to disagree. As in a "sewing circle" or a "bull session," their business is to chat. And if you please, they gossip. If, however, a fact is ascertained, they all feel happy. For their duty is to dig out facts and their policy is to face everything but solve nothing.

The Advantages of the Conference

This kind of conference method has three distinct advantages:

First, when no solution is anticipated, discussion is bound to be free. This is amply borne out in our daily experiences. A court inquiry is rigid; a business interview is unnatural, and when Mr. Tom wants to borrow money from Mr. Dick, the conversation is boring to the core. One cannot have a free tête a tête with his friends when results are anticipated. This is the reason why diplomats cannot discuss things freely. In order to solve things, they have to be very cautious in discussing them. They cannot afford to be bold. To the delegates of the conference of the Institute of Pacific Relations, however, freedom of speech is given gratis.

Second, as individuals, they are not subject to the hazards of victory and defeat, as they are not responsible to a constituency, they entertain no fear lest they should lose in a debate. In an unofficial round table which seeks no solutions, every participant wins to the extent of stating his or her own opinions and nobody ever loses even though he convinces no one else.

And then lastly, with such a method, the conference may dare to rush in where angels fear to tread. As a

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matter of fact, in the last three conferences, many danger spots have been touched and touched considerably. For instance, in the year 1925, it was inconceivable that Uncle Sam could put such a question to his neighbor the Emperor of Nippon as to say, "Hey, kid how do you like my Exclusion Act?" And yet in the first conference, the American delegates and the Japanese delegates made that famous legislation as their only point of contact and they left each other with better feelings and more understanding. Two years later, Sir Frederick Whyte, immediately after the "May 30th affair," discussed with Prof. Joshua Bau the delicate question of British imperialism in China. Curiously enough, Sino-British relations have been much improved since then. Then in the third biennial conference two years ago, when Marshall Chang's train had just been bombed in Mukden, Dr. David Yui literally carried that same bomb into Kyoto and exploded it in a statement to the effect that the Japanese Government should be held responsible for the Marshal's untimely death. Of course it created a tension there and then. But the conference was held and Premier Hamaguchi said with considerable calm, "I can assure you that the Institute of Pacific Relations has the fullest sympathy of my Government." Were the Institute a League of Nations or if the League of Nations used the Institute method, the League of Nations would not have a single member left today. "The Institute," writes Dr. J. B. Condliffe in this connection, "If it is to live at all, must live somewhat dangerously. Its very reason for existence lies in providing machinery for the friendly discussion of dangerous subjects. The Institute of Pacific Relations has been called a "shock-absorber," but Mr. Chester Rowell has wisely warned that "The Institute which thus specializes in international dynamite must learn how not to explode it." But the conference method is quite a commendable one.

Scandal Mongers May Be Disappointed

With the forthcoming biennial conference to be held in Hangchow, scandal mongers and sensational journalists, I am afraid, will be greatly disappointed. There will be probably no excitement at all. The Exclusion Act is on the Statute Book of the U. S. Government and the May 30th affair is almost forgotten. All the picturesque and sensational atmosphere of the three previous conferences will be displaced by the historical serenity and scenic beauty of the famous West Lake.

But this does not mean that on the conference agenda, vital problems for discussion are lacking. Quite the contrary is true. According to the announcements made by the China Institute of Pacific Relations, the following agenda have been agreed upon:

Major Round Table Topics:

I. International Economic Relations in the Pacific.
   A. Trade Relations in the Pacific.
   B. China's Economic Development.
II. International Political Relations in the Pacific.
   A. The Diplomatic Machinery of the Pacific.
   B. China's Foreign Relations.

Technical Round Table Topics:

I. Food and Population.
II. The Dependent Peoples of the Pacific Islands: their economic, social and political problems.
III. Cultural and Social Relations.
IV. Migration and Race Problems.
V. Labor problems and the standard of living.

Under "China's Economic Development," foreign investments in China will be discussed. The silver question will be gone into and the Kemmerer report will be carefully studied.

China's Foreign Relations will always be a big topic for discussion. Diplomatic relations will be surveyed in a general fashion. Concrete proposals for the control of coastal and river navigation in China will be advanced pro and con. Above all, Justice Feetham's report (which by the way is indirectly an idea growing out of the last conference in Kyoto), will be one of the leading items on the conference agenda.

These major round table topics are politico-economic topics. They are the more spectacular and can easily be played up for the gallery. But the technical topics are just as important if not more urgent. Take the food and population question, for instance. There we have the root of many economic and political movements of the day. China can produce much food; she is not producing it, and she has more people than she can possibly feed. Japan could never produce enough food for her ever increasing population. She wants to go everywhere she can possibly manage to squeeze in, and wherever she is not wanted. While Canada, New Zealand, Australia and the United States of America, have plenty of land and produce plenty of food. They do want to sell their food to other people but paradoxically enough, they don't want to let any people go into their land and work and feed themselves. There, you have an international problem of adjustment.

Then, the dependent peoples of the Pacific Islands, will be another aspect of the Pacific problem which will assume greater and greater importance later on. Will the Filipinos get their independence? How do the Koreans fare under Japanese rule? Is the "Mandate" experiment in the Pacific area a success? Or is it just a camouflage for the fulfillment of imperialistic whims of the mandatory powers? All these have vital importance to many peoples of the Pacific and it behooves the Pacific countries to let wisdom rule lest the experience of another conflagration be repeated to the eternal woe of mankind.

Distinguished Delegates

Now a word about the troupe of players who stage the drama of peace in the Pacific theater. A perusal of the personnel list of the last three conferences will convince one of the importance they lend and the prestige they contribute to the conferences they attend. Take the Kyoto conference for instance. The Japanese delegation, was made up of one labor leader, four leading business men, three college presidents, two railway chiefs, four bankers, twelve professors, eight newspaper men, six men of public affairs, four diplomats, including an ex-ambassador to the U.S.A., Hon. Masanao Hanihara, two members of the House of Representatives, and two members of the House of Peers, one of whom is no less an international figure than the distinguished Dr. Inazo Nitobe, formerly under secretary-general of the League of Nations. Other national groups were similarly constituted. The British group was led by Rt. Honorable Viscount Hailsham, ex-lord chancellor in Mr. Baldwin's cabinet, and assisted by men of distinction like Mr. Malcolm J. Macdonald, labor M.P. and son of Premier Macdonald, and Lionel Curtis, the Hon. Secretary of the Royal Institute of International Affairs.

The American groups was headed by Mr. Jerome D. Greene of Lee Higginson & Co., New York, and Prof J. T. Shotwell of Columbia University, Roland W. Boyden, formerly U. S. observer on the reparations committee and Mr. Sterling Fessenden of the Shanghai Municipal Council lent their weight and color to the delegation of the U. S. A. Hon. F. W. Eggleston of Australia, Dr. David Z. T. Yui of China, Hon. Newton W. Rowell of Canada, and Conrado Benitez of the Philippine Islands are all men of international fame as well as men of national importance. Mexico, France, the Netherlands and the U.S.S.R. sent to the conference one observer each. The League of Nations sent two and the International Labor Office at Geneva sent three. This, together with some thirty journalists from the different parts of the world who came to the conference for "news" complete the whole cast, let me repeat, for the drama of peace in the grand theater of the Pacific.

The delegations of different participating national groups for this year at Hangchow have not yet been revealed. But it is highly probable that Sir Percy Mackinnon, a leading industrialist of England will lead the British group, while Hon. Vincent Massey, formerly Canadian Minister to Washington, and Hon. W. W. Yen, former Chinese Minister at the Court of St. James will head the Canadian and Chinese delegations respectively. With such men of distinction attending, the coming conference at Hangchow is sure to be a success as it was two years ago in Kyoto.

Geography and Politics

Before closing, two questions ought to be asked, namely; first, what is the Pacific area? second, what is an autonomous state? The object of the Institute of Pacific Relations is "to study the conditions of the Pacific peoples." If we take the Pacific Ocean literally, then we ought to urge Mexico, Guatemala, Salvador, Honduras, Panama, Columbia, Nicaragua, Costa Rica, Ecuador, Peru and Chile to join in as members. They are all "bordering the Pacific Ocean." If you maintain that only a "sovereign or autonomous state" can form a nation-group for participation, then the Philippine Islands should not have had a delegation and the Korean group could not contemplate forming a group. Neither of them is autonomous. If the Filipinos or Koreans are admitted as they were on separate occasions, then the Dutch East

Indies and the British Strait Settlements should also be invited. A wider representation, so long as it is kept within workable bounds is always desirable, but this question of geography (what is the Pacific area?) and the question of politics (what is an autonomous state?) should be answered as early as it can be answered satisfactorily. If necessary, the Constitution of the Institute should be amended.

The Institute of Pacific Relations is trying to bring nations together on a basis of mutual understanding. How far it can succeed only time can tell. The conception of the Pacific Ocean as the scene of peaceful cooperation rather than bellicose antagonisms is a commendable conception. If democracy is to grow to fruition and if reason is to rule over the world, surely this experiment of mutuality of understanding is the way forward.

Hangchow, August 20, 1931.

Local Kuomintang Opposition to Hangchow Conference Is Squelched

Various local offices of the Kuomintang had recently carried on an agitation against the convening of the Institute of Pacific Relations at Hangchow from October 21 to November 4. In the meantime, however, the Central Executive Committee has instructed the local organizations to stop this opposition. The C.E.C.'s order states that both the Central Executive Committee of the party and the National Government are in full sympathy with the purposes of the Institute of Pacific Relations and they desire to support it whole-heartedly. Owing to the illness of Dr. Z. T. Yui, Singloh Hsu has been elected to take his place as China's representative on the Pacific Council, the highest controlling body of the Institute. The preparations in Hangchow are going ahead in full force, according to L. T. Chen, executive secretary of the China Council of the Institute and quite a number of important men have already accepted their appointments as members of the Chinese delegation. Among these are Dr. Lim Boon-keng, Dr. Y. T. Tsur and Dr. Hu Shih. Dr. W. W. Yen, former Premier and Foreign Minister, has been elected chairman of the Conference and will head the Chinese group.

A. A. U. W. Issues Annual Report

The Shanghai Branch of American Association of University Women, of which Mrs. Lois Laurenz is president, has issued its annual report in circular form. After giving an account of the meetings held during last year, it reports on the constructive work which the A.A.U.W. is doing in the fields of education. The Association is also trying in a small way to help in the Million Dollar Fellowship fund. This means an endowment fund of G.$50,000 a year for a Senior fellowship to be given trained women who desire post-graduate work along special lines. The association is also interested in a local project, namely scholarship given the best all-around Senior girl at the Shanghai American School and the best Chinese girl student chosen from several Chinese Schools. The scholarship awarded the American School girl shall be used for study in a college in America; the scholarship awarded a Chinese girl is for a year's further study here in China. In awarding these the Committee considers scholastic standing, all round character, influence in activities in behalf of the School and lastly, physique and health. The last award went to Miss Blanche Thomson.

SHAMEEN—THE FOREIGNER'S "SANCTUM-SANCTORUM" AT CANTON

(Continued from page 507)

sitional period, has prepared him with a broad and tolerant outlook well-suited to the present Canton scene. His staffs, too, appear to be fair-minded young men, not greatly touched with those curious and bitter credos which sometimes limit the usefulness of consuls in China.

Shameen is much in need of cool heads. You will be reminded of that as you leave the island and note, on the Chinese side of the British bridge, a memorial erected to the "martyrs" who died in the Shakee Affair. Something like this may happen again, as it did then, despite everything that could be done to prevent it. But a repetition seems less likely if slower belligerence, greater patience, and more potent applications of common sense govern future relations of the Shameenites and the Cantonese.

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Through tickets are issued and passengers baggage registered through between the important stations on the Peiping-Liaoning Railway and the South Manchuria, Chosen (Korean) and Imperial Japanese Government Railways. At Peiping connections can be made with the Peiping-Hankow Railway and with the Peiping-Suiyuan Railway and at Tientsin connections can be made with the Tientsin-Pukow Railway, for Tsinanfu, Nanking and Shanghai.

For information as to rates, schedules, accommodations, etc. apply to any Tourist Bureau, or communicate directly with the Traffic Manager

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TIENTSIN

An Advertisement of the Chinese Government Railways

No. 2

Japanese-Owned Papers Lose Circulation

BY E. U. BARUNG

THE Suifenho Chamber of Commerce has sent up a letter to the Harbin Chamber of Commerce asking the latter to direct all the Chinese shopkeepers in Harbin and in the province to give up subscriptions to Japanese papers published in the Chinese language in the Three Eastern Provinces. It has been reported that the number of local subscribers to *Sheng King Shih Pao*, one of the most popular and influential papers published in Mukden under the mangagement of Japanese, has sharply dropped down during this month.

Further Help to Chinese in Korea

A meeting was held on August 11 by the Harbin Chamber of Commerce, and it was resolved to send further sums of money to the Chinese sufferers in Korea. Probably one of the members of the Chamber will go to Korea, as a representative of the Harbin Chamber of Commerce.

Memorial Service for Those Killed in Korean Riots

More than two hundred persons representing all the local official institutions, schools, and private associations attended the memorial service, for the Chinese residents killed in Korea, which was held at the Harbin Kuomintang Party yesterday. Long speeches regarding the recent riots in Korea were delivered by Executive member of the Party Hsu-Shi-Fa, Professor Chow Tien-Lang and Messrs. Chang-Chi-Fang and Liu-Tien Yu. More than one thousand yen was contributed during the service which was remitted through the Harbin Chamber of Commerce to Korea to be distributed among the Chinese sufferers in that country.

Beans by Water Route to the U. S. S. R.

Information reaching here from Lahasusu states that quite a number of junks carrying beans and wheat have passed from the Sungari into the Amur river. The whole of the cargo amounts to 40,000 poods. The passage of it has been permitted by the local authorities. Although there was a considerable objection on the part of some local merchants, the farmers found their way to sell the grain and the junk-owners to undertake the shipping. As the grain market continues depressed the population and some of the local papers greet the sales of grain to Soviet Russia. To-day beans have been quoted on the local market at 88 cents, local currency, per pood and there have been no buyers. It goes without saying that the shipping of beans and wheat from the lower reaches of the Sungari river through Habarovsk to Vladivostok is much cheaper than shipping them to Harbin up the river and then transporting them by railway to Vladivostok.

Soviet Imports to Increase

The Chief of the Soviet Trading Organizations in Harbin is going to start on a journey to visit many of the large commercial centres in China for the purpose of further introducing Russian goods in those centres. Recently a number of Chinese merchants in North Manchuria lodged a petitions with the Authorities of the country asking them to prevent the Soviet goods from being imported into the country. The petition does not seem to have had any effect. The Chinese Authorities appear to deem it to the advantage of the Chinese people to buy the Russian manufactured articles which are cheaper and in most cases of better quality than those of Japanese make.

New Warehouse for Storage Oil in Harbin

The Soviet Organization of Naphtha syndicate are building large warehouses with tanks for storage of naphtha products to be imported and sold in Harbin. The warehouses are being erected on a plot of ground between the Export Produce Co. and the 8th section by Fu-Sing one of the substantial Chinese firms in North Manchuria at a cost of 60,000 yen. Tenders for the contract were made by several foreign firms and Russian contractors, but the order has been given by the Syndicate to the Chinese firm.

A Book on Wanpaoshan Conflict

The Harbin *Kuo Chi Hsieh Bao* is going to publish a book entitled "From the Wanpaoshan case to North Eastern Questions." The author of the book is Shen Chung Ming, foreign language editor of the paper. He is an author of several books in Chinese dealing chiefly with the relations between Japan and China. He is a graduate of Tokyo University.

A Paper Mill in Mukden

News received here from Mukden states that the plans for the building of the Three Eastern Provincial Paper Mill have been completed, and the work of construction will be begun in the very next future. According to reports the proposed mill will be located at Hwa Tien; and the cost of construction, as estimated by the Mukden Department of Construction, is to be 5,000,000 dollars.

Japanese Enterprises in Harbin Grow in Number

In spite of the depressed trade in Harbin a number of new Japanese shops have been opened, the majority of them being barbers and fruiterers. People here wonder how new enterprises can be opened in the city during such a slump in trade as now prevails in Harbin. According to recent statistics complied by the Municipal Council of Harbin there are 319 Japanese business enterprises in the city.

Harbin, August 14, 1931.

Introduction of Fertilizers in South China Proves Difficult

The Swatow correspondent of the *North China Daily News* records an interesting commentary on what happens to foreigners and foreign firms unprotected by extra-territoriality. On August 31, 1930, Mr. Hanske, an employee of the German chemical fertiliser company, the Deutsche Stickstoff Handelsgesellschaft accompanied a shipment of 300 bags of sulphate of ammonia from Swatow to Chao-an, a place on the Fukien Kuangtung border. The cargo was confiscated and Mr. Hanske, after being thrown on the ground and his hands tied, was marched round the town with a foolscap on his head and an automatic pistol pressed into the small of his back while being pelted with filth and jeered at by the mob. He was kept prisoner for about 10 days and then released after protests had been made by the German Minister. The confiscated cargo was not released.

Negotiations for the recovery of the 300 bags of sulphate of ammonia continued until July 13 last and only then was permission given to remove it from Chao-an. Though the local magistrate had admitted that Mr. Hanske had complied with all the necessary requirements in the matter of passports, and import regulations, and that the boycott of foreign chemical fertilizers was unauthorised and illegal, the cargo was not released until the following fines and charges were paid:—

(1) Fees to the Native Customs (?) Office—$250.

(2) Storage charges for 10 months at $100 a month —$1,000. (A reasonable sum would be $10 a month).

(3) Contribution by the D.S.H. to the local park and recreation ground—$600.

(4) Contribution by the German agent in Chao-an to local charities $1,200. (This is probably also paid by the D.S.H.)

In all, for the ranson of approximately $6,000 worth of cargo, $3,050 was paid. Nevertheless the boycott of foreign fertilizers continues.

Financial Difficulties in Europe and in South America

According to advices received in New York recently from Santiago, the Chilean Cabinet has recommended to Congress that the partial moratorium proclaimed in the middle of July to protect the gold exchange standard should be completed by the suspension of the service of the foreign debt.

The Cabinet recommends, in view of the shortage of funds, the discontinuance of the payment of interest on foreign debts for the balance of the present year. The interest involved amounts to $13,000,000. It also suggests the suspension of the payment of interest on the internal debt and shot-term notes.

A Budapest telegram of August 12 stated that the rigorous measures of the Hungarian Government have failed to check the financial panic which, without any apparent reason, is spreading through the country and especially the rural districts. A growing tendency to refuse paper money is reported. All the banks are being besieged by crowds trying to change notes into hard money. Only limited amounts of silver money, however, are being given out by the banks and it is expected that the authorities will take draconic steps to stop the practice.

Jurisdiction Rules Revised by Ministry of Judicial Administration

An important ruling regarding the respective jurisdiction of the Courts in the International Settlement and the French Concession of Shanghai has been announced by the Ministry of Judicial Administration. According to identical orders issued to the 2nd and 3rd branches of the Kiangsu Provincial High Court in Shanghai, the Ministry declares that the Rules defining the respective jurisdictions of the former Mixed Courts in the International Settlement and the French Concession in Shanghai, which were agreed upon between the Settlement and Concession Authorities in 1902 and have been followed since then until now, shall be considered null and void; and that the jurisdictions of the new Chinese Courts in the Settlement and the Concession shall hereafter be determined in strict accordance with the provisions of the Chinese Codes of Civil and Criminal Procedure.

It will be recalled that in the Notes exchanged in connection with the Agreement of 1930 regarding the reorganization of the Provisional Court of the International Settlement a provision was contained to the following effect:— It is understood that the present practice regarding the respective jurisdictions of the Chinese Court now functioning in the International Settlement and the Court existing in the French Concession shall be followed, pending a definite arrangement between the Chinese Government and the Authorities concerned."

It is pointed out by the Ministry of Judicial Administration that the validity of this provision has been nullified by the new French Mixed Court Rendition Agreement, which provides in Art. 1 that "All the rules and practices pertaining thereto" should be abolished together with the Mixed Court.

It is further pointed out that in the course of negotiations concerning the abolition of the French Mixed Court, an understanding was reached with the French delegates that with the rendition of the Court, these anomalous Rules would automatically become null and void.

In this connection, the Ministry noted that the so-called Rules of 1902 were designed solely to benefit the foreign plaintiff or complainant. Contrary to the general principle of civil or criminal procedure that either the residence of the defendant (in civil cases) or the place where a crime is committed (in criminal cases) should be made the main criterion of the jurisdiction of the Court, these Rules made the nationality of the Foreign Plaintiff or complainant the sole criterion. If he was of French nationality, the Chinese defendant or accused was sued before the French Mixed Court: and if the plaintiff happended to be a foreigner not of French nationality, the Chinese defendant was sued before the then Mixed Court of the International Settlement, irrespective of where he resided or where he committed the offence.

With the abolition of these Rules, foreign plaintiffs or complainants, whatever be their nationalities, must hereafter sue Chinese defendants in the Court, which, according to the Chinese procedural laws, has jurisdiction over the case. While many exceptions are recognized to meet varying circumstances, the general principle is that the Court of the place where the defendant is domiciled (in civil cases) or where the accused committed the crime (in criminal cases) is alone competent.

Britain Faced With Huge Budget Deficit

Great Britain is faced with a budget deficit of £120,000,000. J. Ramsay MacDonald, the British Prime Minister, discussed Britain's financial difficulties in an interview in Scotland recently. "The nation undoubtedly will pull through but in the present circumstances we must curtail expenditures," Mr. MacDonald said. "There are special difficulties which will have to be seen through. This means that there will have to be reduced national expenditures but the reductions will have to fall on all classes in the community and not on one. Upon his arrival in London Mr. MacDonald conferred with Philip Snowden, the Chancellor of the Exchequer, with the Cabinet's economy committee and with other officials. It was foreshadowed that Parliament would meet in extraordinary session in September to consider economy measures instead of waiting for the normal reconvening of Parliament on October 20.

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In the Fields of Finance and Reconstruction

Receipts of Local Finance Bureau Record Big Increase

Statistics issued by the Bureau of Finance of the Greater Shanghai Municipal Government reveal the total receipts of the Bureau during June as $462,826,37, which represents an increase of $80,444.90 over the same month last year.

$8 Million Municipal Loan Issued by Tsingtao Government

In order to improve public works and to engage in general reconstruction, the Municipal Government of Tsingtao Municipality has floated a Municipal Reconstruction Loan to the total value of $8 millions, bearing interest at 8 per cent. per annum. The loan is to be redeemed within a period of ten years.

Shanghai's Imports and Exports of Silver During Past Week

The movement of silver in and out of Shanghai during the week from August 14 to 21 inclusive was recorded as one of most active periods for the past six months. Largest among imports were silver bars from America totalling H. K. Tls. 936,871. Highest among shipments of Chinese dollars was the export of Haikwan Tls. 132,200 to Chungking.

Price of Green Tea Advancing as Export Increases

As a result of the sudden increase of demand abroad and cornering by tea merchants in Shanghai, the price of green tea has greatly advanced during the past few weeks. According to the latest quotations, at present, the special Chingmee tea is quoted at Tls. 260 per picul, the Wupei Chingmee brand, Tls. 180 per picul and Tungchi Chingmee tea Tls. 300 per picul. The average increase on the different varieties is from Tls. 20 to Tls. 30.

Drug Imports For the Year 1930-31 Total Nearly 200,000 Lbs.

According to a statistical statement issued by the Department of Public Health of the National Government, despite the most restrictive measures taken by the Government, large scale drug sumggling by the British and other foreign firms in Shanghai took place during the year from January 1930 to May 1931. The statement reveals that the imports of opium in various forms totalled 4.371 lbs; morphia 2,020 lbs; morphia in pills 100,000 pieces, and a large quantity of cocaine and heroin.

Reduced Freight Rates for Coal and Raw Materials Ordered by Nanking

As an encouragement to the development of native industries, freight charges for the transportation of native coal and raw materials by Chinese steamers are to be reduced. An order to this effect, issued by the Ministry of Communications on August 19 to the various Navigation Bureaus and the China Merchants S.N.Co., points out that as coal and raw materials are the basic elements in the development of industry, every effort should be made to facilitate their transportation.

Building Construction Active in Shanghai Municipality

A total of 213 building permits were issued during the month of July for the Greater Shanghai Municipality, according to statistics just released by the Bureau of Public Works. These permits are for the construction of houses covering an area of 45,600 square meteres and costing approximately $2,000,000. This figure shows a one-third increase over July 1930, although one fifth less than that of June of this year which is the record building month for 1931. Residential houses lead in the type of structures to be erected during June. The Bureau issued 36 demolition permits during July, 253 repairing permits and 186 others for alterations, remodelling and other purposes. Nantao led in building activities with Chapei holding a close second.

Raw Materials May Be Imported From Japan Under Defined Conditions

Subject to certain conditions, raw materials for industrial uses imported from Japan, for which there are at present no ready substitutes, will be exempted from confiscation, according to an announcement isssued by the local Anti-Japan Association. Those desirous of importing raw materials faom Japan must first apply to the Association for registration which will be granted upon the proof that there are no possible substitutes for the raw materials in question in China. Applicants must contribute a certain sum towards the opening of native factories.

Government Railways to Issue Round Trip Tickets for Tourists

To afford facilities for travellers and tourists, it is learned that "sightseeing" tickets for round trips from Shanghai or Hangchow to Shengyang (Mukden) will be available at the Shanghai-Nanking and the Shanghai-Hangchow-Ningpo Railway Administration from September 1. The tickets for the first and second class passengers will be effective for six weeks. Fares for a round trip from Shanghai to Shenyang are: 1st class $139.65 and 2nd class $93.10. From Hangchow to Shenyang: 1st class $150.25, and 2nd class $100.15.

Local Factory Completes Construction of First China-made Airplane

The first experiment in the construction of an airplane by the Shanghai Airplane Factory, equipped with an engine from an ordinary motor car has been pronounced a complete success by Chang Fu-tien, director of the Automobile Study and Research Compilation Association. The body of the plane, made of entirely native products, is being assembled by Mr. Chang. It is understood that Mr. Chang has applied to the Government for permission to use the Hungjao Airdrome or the Lunghua Airdrome for trial flights.

Australian Trade Expert Here Surveying China Market Conditions

H. A. Elliott, representing the well-known Australian firm, the Gippsland and Northern Co-operative Company, Melbourne, arrived in Shanghai on August 13 on a mission of surveying the Eastern requirements of produce. He is staying at the Cathay Hotel and plans to visit the various important commercial ports in China. The Gippsland and Northern Co-operative Company is one of the largest and most progressive companies in the state of Victoria and controls the output of practically all the factories in the best dairying part of Victoria known as Gippsland.

Honan Mining Company Nets $1,000,000 Profit in Past 6 Months

Li Wen-hou, Superintendent of the Chung Yuan Coal Company at Tsiao-Tso in Honan, in a report to the Honan Provoncial Government, announces that the Company sold 470,000 tons of coal during the past six months from December 5, 1930 to June 30, 1931 with an income of over $3,000,000; the Company has made a net profit of $1,000,000, excluding a sum of $100,000 contributed to the Honan Provincial Government for educational purposes.

Leather Business Prospers at Canton

According to a report circulated by the *Central Press*, the leather business in Canton has received a considerable boom during the past few weeks and ten more leather manufactories have been established recently, The sudden prosperity of this trade is attributed to the huge demands for finished products by the newly recruited military units of the Canton Opposition Government. Such leather products as regulation belts, sword and pistol sheaths and bullet belts, etc., are especially in demand. The report states that these products are all of local manufacture, but the raw materials including hides and other chemical compounds for tanning and other purposes are imported from other parts of the country. A most profitable and flourishing business is being done in this trade at present in the southern port.

Merchants Ask that Foreigners Be Barred from Buying Cocoons in Interior

The Chinese Silk Merchants' Association in Shanghai has submitted a petition to the National Government requesting that foreign merchants be prohibited from buying cocoons in the interior, as the practice is not only contrary to Chinese Law, but also affects the silk merchants' business. It is understood that the Executive Yuan has instructed the Ministries of Industries and Foreign Affairs to make a joint investigation into the matter and to see to it that the law be effectively observed by the foreign silk dealers.

Nanking to Convene Coal and Mining Conference

To discuss means for the development of China's coal industry, the Executive Yuan, in compliance with a petition of the Shanghai Coal Merchants' Guild, is taking steps for the convocation of a National Coal and Mining Conference at Nanking. An order to this effect has been issued to the Ministries of Communications, Industries and Railways to make joint preparations. The Guild's petition attributes the cause of the decline of the native coal industry to the monopoly of coal enterprises by foreigners in China. It urges that immediate and effective measures be devised to cope with the situation.

Finance Ministry Ordered to Report on the Country's Economic Conditions

The Central Political Council at a meeting on August 20 entrusted the Ministry of Finance and the Directorate-General of Budgets with the duty of conducting an investigation of present economic conditions in the entire country and reporting on the same to the Council. Basing upon the data obtained, they they are instructed to divide the provinces into three categories, namely, those that are selfsupporting, those lacking sufficient funds and those enjoying a surplus. A list of such provinces in their order with explanatory notes should be submitted to the Council for consideration.

China to Buy Rail Materials From Britain with Boxer Refunds

A *Reuter's* dispatch from Nanking dated August 18 stated that the Ministry of Railways has officially notified Dr. Alfred Sze, the Chinese Minister to Great Britain, that the Ministry will purchase railway materials in Great Britain to the value of £200,000 before September this year. From October this year until March 1932, the Ministry's pruchases will be to the value of £750,000. These purchases are being made from the returned Boxer Indemnity Funds. Dr Sze is now concurrently Chairman of the Purchase Commission in London.

Vast Deposits of Jade Discovered in Kwangtung Hills

According to a report in the *Canton Gazette*, a huge deposit of jade has been discovered in the Sheung Yeung Hills in Yeung Kong district, Kwangtung. The deposit is said to be very rich, while the jade there is also of very fine quality. The Reconstruction Department of Kwangtung Government, upon receipt of the report, has been paying special attention to the matter and decided to dispatch two mining experts of its staff to the scene of discovery to make a detailed study of the jade find As soon as the report of their findings is submitted, plans will be made for the development of this resource.

Bad Business Conditions Cause Depression of Silk Industry

On account of unfavorable business conditions and the hot weather, the silk industry in Shanghai is now experiencing one of the most depressing periods in its history. Of the 160 silk factories here, only 36 are operating, while the majority have suspended. The price of raw silk per picul at present ranges from Tls. 900 to Tls 950, and the trend of its market price seems to be still downward. While the local market hes been very dull in recent weeks, the export to America and Europe fares still worse and has now practically dwindled to nothing. As a result of these divergent factors, large piles of silk produce from the various factories have to be stored up and many factories are threatened with bankruptcy.

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Five-Story Emporium to Rise on West Gate Site

The National Products Emporium of the City Government of Greater Shanghai. which is now located on Ponlai Road in the native city, has announced that plans are on foot for the construction of new a five-story emporium on Chung Hwa Road, West Gate, behind the monument of the late Gen. Chew Chi-mei. The site at present is occupied by old Chinese shop buildings which will shortly be demolished to make way for the projected structure. The emporium, as planned, will occupy a triangular lot facing the entrance to the West Gate. The entire structure will be used for exhibition of national products. A sales department will also be maintained, according to present plans.

Shanghai Government Recommends Levy of Special Duty on Imported Flour

In order to foster home products and curb the large volume of foreign imports, the City Government of Greater Shanghai Municipality, in a petition to the Ministries of Finance and Industries, recommends that a special tax be levied on the flour imported from Australia, America and Soviet Russia and that the revenue derived from the tax be used for the development of the native flour industry. It is learned that upon receipt of the petition, the Ministry of Finance has instructed the Bureau of Consolidated Tax to consider the matter and take appropriate measures in accordance with the recommendation. In the meantime, the Ministry of Industries has also ordered all the Bureaus of Inspection and Testing of Commercial Commodities to see to it that all imported flour is up to the required standard.

China's Largest Tannery Goes Up in Flames at Harbin

The Shang Ho Sheng Leather Tannery in Harbin, the biggest of its kind in China owned by Chinese, with a capital of $7,000,000, was gutted by fire on August 17, according to a special dispatch from Harbin to the *China Press* on August 23. The cause of the fire is attributed to faulty electric wiring. The fire lasted about 10 hours despite the strenuous efforts of the fire brigade to extinguish it; 500 buildings belonging to the tannery were completely razed and much machinery was destroyed, entailing a total loss of over $5,000,000. The tannery is owned by Chang Ting-ko and was started in 1908. During the past five years, large profits have been accummulated and the products of the manufactory have enjoyed a nation-wide market and competed favorably with the imports from foreign countries. The unfortunate disaster will prove a terrible blow to the tannery and it will take a considerable number of years before it can fully recover from the tremendous losses.

New Y.M.C.A. Building Embodies Architectural Beauties of East and West

The new imposing structure for the Chinese Y.M.C.A. towering nine stories above the ground and embodying architectural beauties of the East and West, which has been under construction for over a year, now stands practically completed on Boulevard de Montigny, French Concession, and will be ready for occupation in a month's time. The new edifice represents the first succesful attempt to incorporate Chinese architecture in a high building and is recognised as one of the most modern of its type in the Far East. The composition shows a pleasant nicety of proportion of the Western order and yet every detail in the essential features and ornamentations is worked out striotly in accordance with the Chinese style of good taste. The lower course forming the base of the building is constructed of pre-cast artificial stone ashlars, the upper part is faced with Tai Shan red face brick and the top story treated with the effect of pillars and beams and latticed window work, and the usual Chinese roof of green glazed temple tile. All the principal rooms in the building are treated with the usual Chinese decoration consisting of brilliantly and tastefully decorated beamed ceilings which are effectively set off with the panellel walls. The dining room is located on the top floor and is equally exquisitely decorated. The scaffolding of the building has just been removed and the beautiful facade is now being revealed to the public. The cost of the structure totals $1,000,000. Robert Fan and Poy G. Lee are the architect and associate architect of the building.

League Labor Experts on Way to China To Assist Nanking in Factory Reform

According to a Nanking telegram on August 23, two labor experts from the League of Nations, M. Pone and Dame Anderson, who have been appointed to assist the National Government in connection with the operation of the new factory law, have left Geneva for China. M. Pone is due to arrive via Siberia on the 30th inst. He is chief of the Diplomatic division the International Labor Office and has had wide experience in various countries regarding factory conditions. Dame Anderson is coming by the sea route and is expected to arrive about middle of September. She is well-known in Shanghai, having been a member of the Child Labor Commission appointed to investigate conditions in Shanghai factories in 1923. She has been for years chief of the British Government Factory Inspectorate.

Gen. Hwang Outlines 5-Year Program for Air Development in China

Gen. Hwang Ping-heng, director of the Aviation Department of the Ministry of War, in a memorandum submitted to President Chiang Kai-shek and Minister Ho Ying-ching on August 18, outlined a military aviation development program for the National Government, calling for the maintenance of a strength of 500 planes and 1,000 aviators in a period of five years. He also recommended the training of 6,000 officers and men for the mechanical branch of the service during the period. His memorandum referred to the necessity of the building of the planes and the repairing of them in China, which was considered as essential to the needs of the country. In conclusion. Gen. Hwang suggested that more military planes should be acquired, if the governmental finance would permit.

Local Chamber Decides Upon Measures for Collection of Business Tax

The Executive Committee of the Chinese General Chamber of Commerce at a meeting on August 22 decided upon the measures governing the collection of the business tax through its agency on behalf of the Greater Shanghai Municipal Authorities. The measures provided for the creation of a Business Tax Collection Committee. The meeting also decided that the tax payable by businese firms which are members of a recognized guild should bs collected by officers of that guild; while business, for whice no guild has yet been formed, should pay the tax direct th the Collection Committee of the Chamber. Guilds entrusto ed with the collection with the tax will be granted a fee o- 5 per cent. of the total amount of tax collected as compensaf tion for their services. To prevent possible irregularities- the Chamber will appoint special inspectors to supervise the guilds in the fulfilment of their duties.

Chinese Rug Export Trade Declines As U. S. Raises Its Tariff Wall

In spite of the fact that China has been listed among the exporters of rugs to foreign countries, she has never been an original producer. According to an article in the *North China Star* at Tientsin, rugs and carpets were first introduced into China about 200 years ago during the reign of Emperor Chien Lung of the Ching Dynasty as tributes from Persia and Tibet. It was only as late as the beginning of the present century that foreign importers began to develop the Chinese rug business. And it was only a little over ten years, that Chinese-made rugs began to compete successfully in foreign markets.

America is ranked as China's largest rug importer, according to S. Y. Shen, proprietor of the China Rug Manufacturing Company, one of the three leading Chinese rugs exporting concerns in Tientsin. Since the increase in the import tariff of America last June. the Chinese rug export business has dropped considerably and only the highest-priced rugs which could stand the new tariff could be profitably imported into America. In European countries, Chinese rugs are not popular. Formerly, there were several thousand workmen employed in carpet weaving in Tientsin. Shortly after the enforcement of the new tariff by the American Government, their number has been reduced to only several hundred. Fortunately, the rug business has lately shown signs of picking up a little with the result that quite a number of knitters had come back to their looms.

New $2,500,000 Waterworks for Hangchow Starts Operation

The new waterworks for Hangchow, which has just been completed after four years' construction, formally came into operation on August 16, according to a dispatch from Hangchow on the same day. The plant was built at a cost of $2,500,000, which sum was raised through the issuance of a public loan secured on the revenue from the municipal land tax. The waterworks installation occupies an area of about 12 mow of land and draws its water supply from the Chientang River. Plans for the establishment of a modern reservoir system capable of meeting the needs of Hangchow were made four years ago, but lack of funds prevented the realization of the scheme until the present time. It is learned that in order to safeguard public health, the Hangchow Municipal Government has issued an order to all the residents, instructing that all wells must be filled up and the water supplied by the new waterworks be used for both drinking and washing purposes.

New Municipal Building For Fire and Police Stations Planned By S.M.C.

According to an official announcement made by the P. W. D. of the Shanghai Municipal Council, plans have been completed and work is soon to commence on the construction of a new municipal building for fire and police stations at the corner of Kiangsi and Foochow Roads. The building will occupy approximately six mow of land and will be six stories high. The constuction cost is estimated at $1,000,000. The Central Camp, which now houses the Russian Volunteer detachment, will be transferred to other quarters which have yet to be decided upon. The Foochow Road branch of the Central Fire division at the back of the American Club, will be included in the new building, which has also been designed to accommodate the entire equipment of Central Fire Division, including that at present on Honan Road. The concave corner frontage of the new building is to be occupied by the fire equipment. The three large entrance-doors have been designed specially to suit the needs of fire-engines in making speedy exits when called out. The wide sweep permitted by the shape of the entrances fulfills a long-felt want at the Central Fire Station and will afford the present big machines greater freedom in their movements. The new building, when completed, will face the Hamilton House on Kiangsi Road which is now under construction and adjoins the American Club on the left side.

Huge Arcade For Native Banks Planned on Honan Road Site

Upon the recommendation of Wang Shao-lai, Chairman of the Chinese General Chamber of Commerce, plans are being studied by the Native Bankers' Association for the construction of a giant and novel native bank arcade on a site of 18 mow of land on North Honan Road, embodying a big public strong vault, a trading market, a dormitory and a clubhouse for the employees of the banks. It is understood that the Association is shortly holding a special meeting to consider the avisability of the plan and upon its decision will depend the outcome of the project. In view of the imperative need of such a centralized building to facilitate the transaction of business, it is most likely that the Association will consider the scheme favorably. In his letter of recommendation to the Association Mr. Wang pointed out that a block of houses in the vicinity of Tientsin, Shantung, and Peking Roads which is known as the native bank area, is shortly to be demolished and new quarters for the banks have to be built. As there will be no more banking area, the banks will have to be separately located, which will cause waste of time and inconvenience to the patrons. In view of the fact that a vast area of 18 mow of land is being laid vacant and to be developed in North Honan Road. Mr. Wang suggested, the site should be utilized for the building of a new native bank arcade. He further suggested that the present buildings of the Association which are now situated at the corner of Boone Road, opposite the market site, be demolished and a private road be built in the center of the site, connecting Boone and Haining Roads. Big native banks should be erected on this site and there will be enough space for building eight rows of from 60 to 70 houses facing the streets. The buildings should be four or five story structures and the construction funds could be raised among the native bankers. Each of the expectant tenant banks is to be required to pay $20,000 for its site and the money refunded by rent payments.

(*Continued on page 528*)

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Men and Events

Professor Shen Hung has returned to Shanghai after a visit to Hollywood.

Miss Phebe E. Wong, assistant treasurer of the Asia Realty Company, Federal Inc., is spending her vacation at Tsingtao.

E. W. Torrey, assistant manager of the National City Bank of New York, is seriously ill at the Shanghai Sanitarium.

The Shanghai American Players are rehearsing "Is Zat So?" a comedy by James Gleason and Richard Taber, to be presented October 2.

The death occurred last week of pneumonia of Mary Frances Smith, youngest daughter of H. F. Smith, of Carl Crow, Inc., Shanghai.

Mrs. Siang Hsu, formerly Miss Eva Chang, formerly of the *United Press* and *China Weekly Review* in Nanking, is paying a visit to north China.

Horace Beeson of Beeson and Company is confined to his home suffering from an eye affliction caused by an inflammation of the optic nerve.

John H. Lewis, a hydraulic engineer, of Portland, Oregon, is due in Shanghai shortly to visit his daughter who is engaged in teaching work here.

James Watkins has joined the faculty of the Central China Christian University at Wuchang. He formerly taught in Japanese Government schools.

Hui Ching Yeung of Lingnan University in Canton, passed through Shanghai last week enroute to New York, where he will join the Rockefeller Foundation.

Dr. Ralph C. Wells, Chairman of the Presbyterian China Council, has returned to Shanghai from a vacation spent in various parts of the United States.

The Chinese newspapers state that General Chin Yun-peng, former Premier and Minister of War in Peking, has become a Buddhist monk, and entered a monastery.

Arthur Bassett, a member of the board of directors of the British-American Tobacco Co., has returned to Shanghai after an extensive tour of Europe and America.

The Legation for Chile is to be established shortly in Route Albert Cohen, Shanghai. Pending the formal opening, the Legation offices will be situated in the Sassoon Building.

Lieut. A. C. Leonard, attached to the U. S. Asiatic Fleet, passed through Shanghai last week from Mainla enroute to the United States, after 13 years' service in the Far East.

Major-General Smedley Butler, formerly in command of the American Marines in North China, has formally requested the Navy Department to retire him from the Marine Corps as from October 1.

The Greater Shanghai Bureau of Education is planning for the establishment of a zoological garden in the Chinese City which, when completed, will form part of the proposed Confucian Temple Park.

Dr. F. J. White, former president of the University of Shanghai (Shanghai College), and Mrs. White are spending a holiday in Peiping with their daughter, Miss (Dr.) Roberta White, of Yenching University.

Edison Marshall, an American author of magazine articles and writer of short stories, passed through Shanghai enroute to the United States last week after having engaged in a big game hunt in French Indo-China.

It is announced that for another four months beginning from September 1 the Chinese railways will continue to charge lower freight rates for Chinese matches. This also applies as to the government railways in Manchuria.

A machinist's mate named Lawson, who deserted from the *U. S. S. Canopus* last June, when he disappeared to Harbin, was arrested in the Shanghai French Concession last week. He was sent to Tsingtao to face a court-martial.

The entrance examinations of the University of Shanghai were held end of last week, with Dean T. K. Van in charge. Altogether about 900 students applied for admission but only 30 per cent of them are being admitted.

John W. Mears, head of the Philippines Advertising Corporation, was a visitor to Shanghai for two days last week while on his way to the United States from Manila. He was accompanied by his wife and daughter and is bound for Los Angeles.

Reginald Sweetland, correspondent for the *Chicago Daily News*, departed last week for Hankow.

The death occurred in Manila August 23 of Clarence Cook, financial news editor of the *Manila Daily Bulletin*.

Victor Keen, correspondent for the New York *Herald-Tribune*, has returned to Shanghai from a trip to North China.

Five cases of cholera were found on the P. & O. liner, *Cathay*, at Kobe August 23. They were removed to the isolation hospital.

Fred Vincent, local manager of the American Foreign Insurance Association departed from Shanghai end of last week for an extended holiday in the United States.

Roger Arnold, general secretary of the Yunnanfu Y.M.C.A., has arrived in Shanghai to meet Mrs. Arnold and their children, who are due here from the United States.

Roy C. Bennett, managing editor of the *Manila Daily Bulletin*, returned to Manila August 22 from Europe with his bride of two months, the former Miss Margaret Wilson of Madison, Wisconsin.

A party of Chinese Buddhist tourists, after making a successful trip to south China and the South Sea Islands returned to Shanghai end of last week. The party left Shanghai early in September last.

H. B. Longfellow, local passenger agent of the Dollar Steamship Company, is scheduled to depart from Shanghai September 16 on long leave in the United States, which he had not visited for nine years.

Mr. Kawagoe, the Japanese Consul-General at Tsingtao, who had been on a visit to Japan, cut short his stay there in order to investigate the recent collision between Japanese and Chinese in Tsingtao.

Mr. and Mrs. Charles Dailey of Peiping have arrived in Shanghai and are residing temporarily at the Palace Hotel. Mr. Dailey, who has been correspondent for *The Chicago Tribune* in Peiping, has been transferred to Shanghai.

Negotiations are proceeding between the Ministry of Foreign Affairs and the representatives of the various Powers concerned regarding the rendition of the Mixed Court in the International Settlement at Kulangzu, (Amoy.)

The death occurred in Shanghai August 23 of E. Jackson Casse, managing director in the Orient for the Mosler Safe & Lock Company. Death resulted from heart failure. Mr. Casse had resided in Shanghai for the past ten years.

Major Mori, of the Military General Staff stationed in Manchuria, called on Tsang Shih-yi, Chairman of the Mukden Provincial Government, August 10 in connection with the murder of Captain Nakamura by Chinese soldiers last month.

Eleven Chinese gunboats participated in a naval review near the Fukien-Chekiang coast during the week. The manoeuvers were directed by Admiral Chen Chi-liang, Commander of the 1st Naval Squadron, and Captain Baillie-Groenman, British naval adviser.

The Japanese Publishers Association of Tokyo has donated some 300 volumes to the Lingnam Univiersity at Canton. The books are on varying subjects, including many volumes on natural science and are specially adapted for use of college and high-school students.

Consul-General and Mrs. E. S. Cunningham will hold a reception on Monday afternoon, Aug. 31, in honor of Admiral and Mrs. Charles B. McVay, Jr., who are departing for America shortly. Admiral McVay has been commander of the U. S. Asiatic Fleet for the past three years.

The Shanghai Szechuen Residents' Guilds have petitioned Dr. C. T. Wang, Minister of Foreign Affairs, to the effect that by September 24 the agreement for the Japanese Concession in Chungking will expire and the Ministry should lose no more time in bringing about its rendition.

Mgr. Celsus Costantini, Apostolic Delegate to China, retured to Peiping August 17, after having spent several months in Rome. While in Italy Mgr. Constantini delivered several addresses, among them being one on "China of To-day," delivered in the Palace of Propaganda in Rome.

Prof. Russell McCullough Story, head of the political science department of Pomona College, Claremont, Cal., who has been visiting in Shanghai for several days, departed this week for Japan. After a few weeks in Japan, Prof. Story will proceed home by way of Russia and Europe.

In connection with the anti-Chinese movement in Mexico, the Executive Yuan in a recent order to the Ministry of Foreign Affairs instructs that negotiations be conducted with the Mexican Government. It is learned that anti-Chinese agitations have also arisen in Peru.

Further reductions in the staff of the Chinese Eastern Railway are announced. Originally there were two deputy-directors to each department. Six Russian deputy-directors of the business, engineering, finance and three other departments of the Administration were dismissed last week.

Dr. Chu Chang-keng and Dr. W. W. Peter have been appointed delegates of the National Department of Health to attend the annual convention of the American Public Health Association which will be held in Montreal, Canada from September 13 to 17. They departed for the United States this week.

The China Council of the Institute of Pacific Relations, which will convene in Hangchow October 21 to November 4, has arranged with the Shanghai Telephone Company to use for the first time in the Far East the Creed printer in transmitting news of the conference to press representatives in Shanghai.

Miss Wang Kwei-feng, the noted Chinese aviatrix, told press representatives in Nanking when she arrived there August 23 that she is going to import a good American 'plane for a round-the-world flight some time about the end of this year. She will be the first Chinese girl to attempt a long distance flight.

The first public trial of the four ring-leaders arrested in the recent anti-Chinese riots in Korea was held at the Pingyang District (Korea) Court August 18. The procurators demanded capital punishment for the three accused and an 8-year's imprisonment for one on the charge of instigating riot and murder.

It is announced that the State Burial of the late General Tan Yen-kai, Chairman of the Executive Yuan, will be held on September 4th. The tomb of the deceased leader near the Lingku Temple, Nanking, is nearing completion. The National Government has designated a sum of $50,000 for the necesary expenses.

The *Shen Pao* (Shanghai) reports that a Chinese girl student drowned herself in the Whangpoo River near Woosung and left behind her a letter to the Chinese public, in which she exhorted: "Down with the imperialists, never assist the Japanese, don't buy anything of Japanese manufacture, don't supply anything to the Japanese," etc.

The past summer in Shanghai has been remarkable for the small percentage of contagious diseases. The Central Cholera Bureau in Shanghai, at the head of which is Dr. Wu Lien-teh, had taken every precautions to cope with an epidemic but it had little work to do. Only a few mild cases were discovered, the victims recovering after receiving the saline treatment.

Prof. Ralston Hayden of the political science department of the University of Michigan, well-known authority on the Philippine Islands, departed last week from Shanghai for Japan and after a few days in that country will proceed to Europe by way of Russia. While in Shanghai, Prof. Hayden was the guest of Dr. George Sellett, U. S. District Attorney.

Haig Assadowrian, an Egyptian amusement promoter, summoned before the British Police Court in Shanghai last week, made the plea that his passport was Egyptian and that the British had no jurisdiction over him. Magistrate Haines expressed his regrets to the defendant and instructed the police that in future such cases were not to be brought to the British Court.

The Panchen Lama, known as the "Living Buddha" of Tibet, who is spending the summer at Hulunbar (Inner Mongolia), in a recent telegram to the Mongolian and Tibetan Affairs Committee, at Nanking stated that he will leave for the Capital before Oct. 10 in time to attend the 4th National Congress of Kuomintang delegates scheduled to be inaugurated on National Independence Day.

Labor troubles which have been simmering in the General Motors, Ltd., plant in Osaka for some time past, came to a head last week when 600 workers went on strike. The company recently proposed to start the five-day week system, closing on Sunday and Saturday. This caused dissatisfaction, which was intensified when 170 workers were discharged. Negotiations between employers and the men failed to yield any mutually satisfactory compromise.

(Continued on page 524)

The CHINESE NATION

Contents of Vol. II, No. 11

August 26, 1931.

EDITORIALS

The Anti-Japanese Boycott
The Return of Madame Sun
Japan and the Korean Affair
The International Bankers' Report
British Budgetary Difficulties
In the Week's News

SPECIAL ARTICLES

Foochow as a Shipping Centre
L. Wingsan Kann

The New Sentimentalism
E. H. Anstice

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"Boss" Croker is still a well-remembered name in New York, for the youth who landed from an emigrant ship from Ireland in 1846 died only nine years ago. The history of Croker is largely the history of New York, for he found it a primitive town and left it a thriving metropolis. During that period he was for some years actually the Master of Manhattan and probably exerted more influence on that city's political life than any other single man, dead or alive.

This story of his life is fascinating and disgusting. We see here how for years New York was governed from her sewers, it is the story of how liberty was stripped from the people in the land of liberty, the story of government by gangsters.

Croker was three years old when he went ashore from the *Henry Clay* and New York was then a growing town, the cutting of the Erie Canal having wrought a great change in her commercial position. But even so the cargo of a single modern liner would then have filled all her warehouses; the passengers from a single train at Pennsylvania station in 1931 would have filled to overflowing all New York's hotels in 1846. The municipal budget was about a million dollars, there was no police force, no fire brigades, no health department, no sewerage system and the scavenging was done by hogs let loose in the streets. The marvellous growth of New York is brought home to the mind when we realise that a man who died in 1922 saw these things as a boy.

Richard lived in Shanty town but later his family moved up a little in the Social scale and he got the smatterings of a very elementary education. The boy became a strong youth with a handy pair of fists and soon was leading a gang of boy gangsters, ranging over the town like a band of brigands, warring with the police who then had come into being.

Politics in New York had always been "tough" and this mushroom city wallowed in an orgy of political corruption. Tammany Democracy had mobilised the slum gangs for ruthless political service and the Whigs, in default of enough local talent, did not hesitate to import gangs of thugs and rowdies from Philadelphia and other Whig strongholds to do battle with the Tammany armies. Both sides stuffed ballot boxes, colonised "repeaters," forged ballots and engineered election riots.

This was the method of Croker's entry into politics, by his fists and physique. He learned Tammany discipline, Tammany Loyalty, and attached himself to O'Brien, "Jimmy the Famous," then a lieutenant of "Boss" Tweed. Croker became an O'Brien "Regular" and voted all over the city. A story of the lengths to which "repeaters" went is given here. One repeater voted in the name of the Bishop of Albany. Amazed at the rough's effrontery even the election clerk was prompted to remonstrate, "G'wan, you ain't Bishop Doane." To which the repeater answered heatedly, "The hell I ain't, you.....," which seems to have clinched the argument.

A voter of one year's standing Croker voted in one election 17 times. Such loyalty could not go unnoticed and Richard was soon on the payroll of the city at a hundred dollars a month, O'Brien engineering it. The newspapers already referred to him as "a rowdy and election bully of well-established fame." He attended to "business" and when O'Brien left the Aldermanic bench to became Sheriff he saw that Croker followed in his footsteps— an Alderman at 25!

When Tweed went and "Honest" John Kelly led Tammany O'Brien switched but Croker decided to remain loyal to Tammany. So he followed Kelly and Kelly rewarded him by getting him elected Coroner, which put $15,000 a year in his pocket.

All was not such plain sailing. There came a check when Croker was tried for his life following a death in an election fight. But he surmounted this and won back his place in Tammany, so much so that when in 1885 the reins of power fell from the dying hands of John Kelly Croker was strong enough to seize and hold them. He went on to reign with an iron hand, fought opponents in his own camp as well as in the enemy's, mended the fortunes of Tammany, made it as great a power as it ever had been, and in 1890 no man or set of men within the boundaries of Manhattan could effectively dispute his right to the title of Master of Manhattan. So he remained, despite storms and stress until he retired to Britain to breed his race horses and, in 1907, to achieve his great ambition of winning the English Derby.

Croker made fortunes for himself, this man who could hardly speak grammatically, and he was almost the Governor of Wall Street. But even he fell. The day came when Seth Low swept the city from end to end, Tammany went down to defeat, and Croker, an old man and ill, forsook the ship and carried off his money bags to Europe, to enjoy 20 years in retirement.

An amazing man he led an amazing life. His political ideas are summed up in a conversation, given here, which he had with W. T. Stead on an Atlantic steamer. Politics, he argued, were impossible without spoils; it was all very well to argue that it ought not to be so, he said, but facts had to be looked in the face. He denounced the cultured, moneyed, leisured classes in New York as being unwilling to play their part in running the city, a city which largely was made up of foreigners.

"We have," said Croker, "thousands upon thousands of men who are alien born, who have no ties connecting them with city or state. They don't speak our language, do not know our laws, they are the raw material with which we have to build up a state. How are we to do it by Mugwump methods? I tell you it can't be done."

Croker never evaded the issue when asked his own objectives. Take his reply in the Mazet investigation. The Examining lawyer:. Then you are working for your own pocket, are you not? Croker: All the time, the same as you.

This book provides food for thought, not only for Americans whose country still is covered with parasitic gangsters and racketeers, but for residents in Shanghai. There are many analogies to be drawn between the growing New York of half a century ago and the growing Shanghai of to-day. Shanghai has its gangsters and its racketeers although they go by other names and need it be whispered that they have "influences" in part of this curious three-sided city? Is there a potential Croker sitting not far from the Bund?

Mr. Stoddard has performed a great task in putting so plainly and so forcefully the story of Richard Croker but his book has some serious defects. First it is as badly indexed as a book can be. Secondly the references to notes are annoying and inconvenient. Instead of notes being at the bottom of pages they are collected at the end and to find one of them it is necessary to find first the right chapter of notes and then the number, which amounts to a game of hide and seek between reader and author. Lastly the book would have been better had it been written in English: it is written in slang.

FSO.

An Inspiring Missionary Life

Guinness of Honan, by Mrs. Howard Taylor; The China Inland Mission, London, 1930. 322 pages.

Even the most severe critics of missionary work cease their objections in the face of the magnificent work done by those medical men and women who do much and dare all for the sake of giving aid to the needy. This book is the simple, but inspiring story of Dr. Whitfield Guinness, one of the pioneers of the China Inland Mission in Honan. The son of an evangelist and his devoted wife, Whitfield Guinness grew up to fulfil their dearest hopes along the line of Christian love and sacrifice. He used his talents unselfishly and the fragrance of his life, like that of many others who have done and are doing the same today, will remain as a blessing to the field of his labors. At a time of great stress of circumstance a man stricken with typhus besought shelter and aid. It was given by the doctor who contracted the disease and died.

These facts take but a short time in the telling, but the life-story brings an inspiration that goes deeper than the printed page. Incidentally, these is an account of the dangers and trials that beset those who try to carry on medical work in a land torn by strife, civil war, banditry and other hindrances.

August 15, 1931.

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American Indian Life

Massacre, A Survey of Today's American Indian, by Robert Gessner; Jonathan Cape and Harrison Smith, New York, 1931. 418 pages. Illustrated.

A University of Michigan student, drawn by the lure of the romantic poets, set out to secure some folk songs and legends from the Indians and found himself so roused to sympathy with their present hard situation that this volume is the result.

Although Mr. Gessner has given many authorities for his seemingly incontrovertible statements, still we have seen his book criticized as being unjust to recent reform methods in Indian affairs. If only one-half of the mistreatment and corruption of which he tells is true there would still be enough to make us heart-sick over the American "Indian situation". It is to be hoped that his impassioned pages will be read and valued enough to help in producing sadly-needed reforms.

The book is mainly criticism and has very little of anything else in it. There is singularly little true appreciation of Indian culture and next to no constructive suggestion for the betterment of Indian conditions. Perhaps this last is due to the apparent youth of the author. Be that as it may, he has stated facts which should rouse his elders and ought to stimulate investigation and legislation. If you want to learn one side of the Indian question read this book.

August 16, 1931.

Recent Pamphlets Received

Foreign Policy Reports for July 22 is devoted to a discussion of the United States in relation to Central American revolutions.

Copies of the July issue of *Yenta Journalism News*, published at Peiping by the students of the Department of Journalism of Yenching University, have been received in Shanghai.

The Netherlands Consulate General in Shanghai has on file copies of a brochure entitled "Holland's Modern Renascence—Facts, Figures and Proportions," compiled by Dr. A. C. Josephus Jitta. The facts presented are mostly directed to the attention of America. For example a comparison is made of the relative density of population of the two countries. Holland has 614 people to the square mile. With the same denisty the population of the United States would be 1800 millions.

The 84th annual (1930) report of the Lester Chinese Hospital, Shanghai, has been published in pamphlet form. The superintendent of this institution is Dr. J. Lee H. Patterson. This hospital attended to 133,121 visits to its out-patient department during the year, and admitted a total of 2,868 men, women and children in its inpatient department.

READERS of *The China Weekly Review* who may be interested in obtaining copies of any books which have been reviewed in these columns, may obtain them by sending their orders in care of *The Review*. If obtainable in Shanghai the books will be mailed immediately at retail prices prevailing in Shanghai, or if not obtainable here, they will be ordered from the publishers abroad. Send orders or inquiries to Book Editor, *The China Weekly Review*, 38 Avenue Edward VII, Shanghai

Who's Who in China

Lo Lin, army officer; born at Ning-ning District, Hunan, 1892; received his elementary military training at the military schools in Hunan and Hupei and was later graduated from the Paoting Military Officiers' College; entered the army service after graduation and served successively as a company, battalion, regiment, brigade and division Commander in the Revolutionary Army; now commander of the 77th Division of the National Army with headquarters in Hunan; during his long military career, he has participated in more than ten revolutionary campaigns and distinguished himself especially in the bandit-suppression Expeditions in Honan, Hupei, Hunan and Kiangsi; was awarded 2nd Class Decoration by the National Government for meritorious services.

Lo Lin
羅霖

羅霖，年三十九歲，湖南零陵縣人，由湖南陸軍小學湖北陸軍中學保定軍官學校畢業，歷充國民革命軍連長營長團長旅長師長，現任陸軍第七十七師師長，經過戰役數十次，尤以河南西平湖北黃陂南漳之討逆，及湖南祁陽長沙江西吉安分宜之勦匪諸役爲最有功，蒙國民政府授二等寶鼎勳章，

China Explains Its Position on 12 Mile Limit

Replying to a protest from the Japanese Government against the reported claim maded by the National Government for jurisdiction within 12 miles limit from shore, the Ministry of Foreign Affairs is understood to have pointed out that the National Government still adheres to the well-established three-mile rule and has not claimed exclusive sovereign dominion beyond that limit. The extension of jurisdiction which China has asserted beyond 3 miles and within 12 miles from her coast-line is solely for revenue purposes and the protection of coast fisheries, and is by no means contrary to the general practice of maritime nations, it is pointed out.

Incidentally a Nanking message states that the Ministry of Industry, in a further dispatch to the Ministry of Foreign Affairs, requests that a strong protest be again lodged with the Japanese Government against the continued poaching by Japanese fishing boats in Chinese territorial waters.

Soviets and Argentine at Loggerheads

Economic relations between Soviet Russia and the Argentine will be broken off in consequence of the recent raid on the Arcos offices in Rio de Janeiro, according to press reports from Moscow. It is understood that the Argentine Government has flatly refused to apologize for the raid and make restitution for damage caused thereby, and that as a result of this attitude the Council of Commissaries has decided to withdraw all Soviet respresentatives in the Argentine and wind up all pending deals.

Gandhi Again Adopts Defiant Attitude

Mahatma Gandhi has published a lengthy document designated as a "charge sheet" specifying various alleged breaches of the Irwin-Gandhi Pact by the Government. This course, coupled with the letter which Mr. Gandhi sent to the Viceroy, Lord Willingdon, asking if the Government of India intends to continue to observe the Pact, is regarded as definitely closing the door to further negotiations. It is stated that the Government proposes to publish a counterdocument dealing with the observance of the Pact on the part of the Congress, and declaring that, while intending to adhere to the Pact, it is prepared to take up Mr. Gandhi's challenge and deal with any recrudescence of the civil disobedience movement. Mr. Gandhi's proposed visit to London as a delegate to the Indian Round Table Conference is now regarded as impossible.

A letter from the Viceroy denies Mr. Gandhi's allegations of breaches of the Irwin-Gandhi pact on the part of the Government. The Viceroy contends that the activities of Congress in many directions have been contrary both to the spirit and letter of the settlement and involved a constant menace to the maintenance of peace. The Viceroy argues that it is a complete misreading of the situation to suggest there has been either absence of goodwill on the part of local Governments in working the settlement or any design to crush Congress workers. As regards Mr. Gandhi's demand for an arbitration tribunal, the Viceroy declared that the Government are unable to fetter their discretion or that of the local Governments.

Assassination Attempt at Calcutta

Another attempted assassination took place at Calcutta when W. S. Cassels, the British Commissioner at Dacca, was fired at by an Indian. Mr. Cassels was only slightly wounded. The bullet entered his thigh. The assailant escaped.

A temperance deputation at Ootacamund has urged the Minister of Excise to set apart a generous amount from the general provincial revenues for the establishment of tea shops so that "the poor villagers could be given some positive counter-attraction to the tavern."

In connection with the arrest of M. N. Roy, the notorious Communist, the palace of the Raja of Kalakankar at Lucknow was raided by the police. Kunwar Brojes Singh, younger brother of the Raja, Mrs. Geihler, a German lady friend of the Kunwar, and his servant Mata Pershad, were arrested on the charge of harboring Roy. They were later released on bail.

Steps Towards Separating Burma from India

The India Office annouces that a special Burma Round-Table Conference is to be convened to sit simultaneously with the All-India Round-Table Conference next November. This represents a definite step in Burma's progress towards independent nationality. The question of Burma's constitution will be thrashed out at this special conference in November.

The India Office in London end of last week stated there is little change in the situation in Burma. Improvement in most districts is maintained, though dacoities are still very numerous in the Thayetmyo and Prome districts.

MacDonald Head of New British Cabinet —Stanley Baldwin Joins

Following difficulties in balancing the budget, the majority of the Labor members not being willing to agree to reduce the amounts being paid out of the Government treasury for unemployment benefits and other social services, the British Cabinet resigned on August 24. A new Cabinet was immediately formed, but with the same head, Ramsay MacDonald, who thus parts company with most of his Labor associates. The new Cabinet will include many members of the Conservative Government, notably Stanley Baldwin, the former Prime Minister. In discussing the new Cabinet, the *N.C.D. News* (Shanghai) says: "Unfavorable factors are to be found in the numerical weakness of the Liberal Party and in the unlikelihood of a Coalition policy being permanently effective. Whether the cheers greeting Mr. Baldwin mean anything can hardly be gauged at this distance. If the reports from the constituencies showed a reasonable chance of a Conservative victory, he might be well advised in adhering to his disapproval of Mr. MacDonald's plans and putting to the touch the fortunes of his own policy."

U. S. Secretary of War Passes Through Shanghai Enroute to Manila

Colonel Nelson E. Margetts, American Military Attache, at Peiping, on behalf of Nelson T. Johnson, U. S. Minister, greeted Colonel J. Patrick Hurley, U. S. Secretary of War, when the latter passed through Shanghai on the *President Cleveland* on his way to the Philippines during the week. Colonel and Mrs. Hurley were entertained at dinner at the Cathay Hotel, August 25. Col. Margetts, representing the American Minister, was the host, and Mrs. E. S. Cunningham, the hostess.

The Filipinos are stated to be making great preparations to impress the American Secretary of War with the sincerity of their desire for independence. Mr. Hurley is due to arrive in Manila August 31. A monster "independence parade" is being organized for his benefit. The date for the parade has not yet been settled, but according to tentative plans it will pass the Malacanan Palace, where Colonel Hurley will be the guest of the Governor-General.

Prominent Automobile Man a Visitor in Shanghai

George F. Bauer, manager of the export department of the National Automobile Chamber of Commerce, New York, arrived in Shanghai August 26, in the course of a lecture tour through the Far East in the interests of motor transportation. Julean Arnold, U. S. Commercial Attache, and Miss Viola Smith, U. S. Trade Commissioner, gave a reception to Mr. Bauer at their offices, 3 Canton road, Thursday, August 27. While here he will attend the First National Good Roads Conference and Exhibition. He has with him nine reels of silent films illustrating road construction in the United States and automobile construction and operation. From Shanghai Mr. Bauer will visit Nanking.

Compradore of Large British Firm Disappears

Sun Chen-fu, compradore of Reiss, Massey & Co., Ltd., large British piece goods firm, disappeared last week after having lost Tls. 2,000,000 in speculation. According to the *China Press* he took with him $200,000 in notes. His father, manager of the Chih Ho Banking House, and all the members of the family also disappeared, leaving behind a few servants to look after their home Lane 1168, F.—2 Bubbling Well Road.

A check for Tls. 580,000 which he gave to the firm of which he was compradore, was not honored when the bank to which it was paid in tried to collect it on the afternoon of August 19.

Little Crime Among Japanese and Chinese in San Francisco

The latest report of the Wickersham committee deals with San Francisco, where in 1929, 99 Japanese were arrested out of a total Japanese population of 53,058, or only one-eight of one per cent. In the same year, Chinese arrests totalled 6,293 which were 5.57 per cent. of all of the arrests of foreign born. Most of the arrests of Chinese were for gambling. The only major offence was in connection with the traffic in narcotics. The report says that there is a high percentage of arrests among the Filipino population in the United States.

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MEN AND EVENTS

(Continued from page 519)

J. F. Brenan, British Consul and Mrs. Brenan are spending their vacation at Unzen, Japan.

Fraulein von Etzddorf, a German aviatrix, was due to arrive at Manchuli on August 25 on a solo flight to the Far East.

Gen. Chin Yung-pen, former premier and Minister of the Army under the Peking Government, has entered a monastery and become a monk.

The Rt. Rev. H. W. Mowll, Bishop of West China, is expected to pass through Shanghai on his return to Chengtu, next month, after a visit to Canada.

Mo Te-hui, plenipotentiary delegate to the Sino-Soviet Conference in Moscow, reported during the week that discussions on the Chinese Eastern Railway issue were continued.

W. M. Waddell and George Humphreys have been appointed liquidators to wind up the Religious Tract Society for China, according to an announcement made during the week.

The bus service in the International Settlement of Shanghai has been curtailed during the week owing to a strike of conductors. A partial service is being maintained, the inspectors acting as conductors.

Telegrams from America during the week foreshadowed a merger of the Sears Roebuck Company and Montgomery, Ward & Company, two of the country's largest mail order houses.

The dead body of a youthful Chinese with six bullet wounds was found on Great Western Road, near Lincoln Avenue, on the outskirts of Shanghai, August 21. The inquest failed to reveal the identity of the victim or the assailants.

An interlocutory divorce decree was granted by Judge Milton D. Purdy, in the U. S. Court for China, August 24 in the case of Harold Eugene Case v. Thelma Case, petitioner alleging desertion. The marriage took place in Manila in 1915.

The salary of Tai Chia-tao, president of the Examination Yuan, has been suspended for three months, and that of his chief secretary for one month, by the National Government Council, because of irregularities which occurred in the recent State examinations.

The *China Press* of August 23 stated that the 500 cases of arms and ammunition consigned to the Cantonese government were seized by a National Government launch on the night of August 22 from the Rickmers steamer *Bona*. The *Bona* had come here direct from Manila.

Miss Sari Maritza, well known movie actress, who was born in Tientsin, China, will appear in the picture "Greek Street" which is scheduled to be shown at the Strand Theater in Shanghai on Saturday, August 29. The picture is a "Gaumont-British" talking, singing and musial romance.

The U.S S. *Houston*, flagship of the United States Asiatic Fleet, after spending the summer at Tsingtao, arrived in Shanghai August 22. Admiral Charles McVay returned with the ship and will transfer command of the fleet to Admiral M. M. Taylor, September 3. Admiral McVay is scheduled to return to the United States September 4 on the s.s. *President Pierce*.

Normal passenger and freight services on the Peiping-Hankow, Tientsin-Pukow, Lung-Hai and Taokow-Chinghua Railways have been resumed in view of the complete liquidation of the campaign against the rebel Shih Yu-san, it is learned at the Ministry of Railways. The rolling-stock captured from the rebel units is being returned to the Tientsin-Pukow Railway Administration.

For the convenience of foreign travellers to China as well as to eliminate unnecessary red-tape, the Passport Examination Office attached to the Greater Shanghai Bureau of Public Safety is understood to have requested the Passport Examination Authorities at Tientsin, Tsingtao, Harbin and Hankow to send representatives to Shanghai to devise measures for the co-ordination of their work.

Time says the Canadian Government's tariff schedule against U. S. periodicals has been made more stringent than ever. Magazines which consist "mainly of fiction" will be taxed 15c. per pound *with a minimum tax of 15c. per copy*. So will the comic sections and feature sections of newspapers. (U. S. Sunday papers now sell at 10c. or 15c. in Canada.) Moreover, no tax rebate will be allowed on unsold copies.

Mrs. Chang Hsueh-liang, wife of the vice-commander-in-chief of the National Army, Navy and Air Forces, who had come to Shanghai to attend the funeral of the late Mrs. K. T. Soong gave a banquet last week at the Cathay Hotel to Mayor Chang Chun and his wife and 60 prominent Chinese residents of the city in appreciation for the hospitality that had been shown to her on her last visit. Mrs. Chang has in the meantime proceeded north.

The provisional arrangements made by the British War Office for the Shanghai reliefs allot the hired transports *Neuralia* and *Lancashire* for the service. The *Neuralia* will call at Gibraltar on October 13 and leave on the following day with the 1st Lincolnshire Regiment, to be disembarked at Shanghai on November 16. The in-coming battalion, the 1st. Wiltshire Regiment, is due at Shanghai from Egypt on January 30 in the *Lancashire*.

Hisashi Fujimura, one of the wealthest of Japanese silk importers, in New York disappeared from the liner *Belgenland* on the high seas while the vessel was on a cruise. When the steamer arrived in New York August 18 it was found Mr. Fujimura was missing. Various passengers declared that early that morning they had heard screams and shouts followed by sudden silence. Mr. Fujimura was accompanied by his daughter and a former musical show girl.

Mongolians Imprison German Airmen as Spies

Reports published several weeks ago that the two German airmen from the Eurasia Company who had been shot down in Mongolia and made prisoners had been released have proved to be erroneous. On the contrary Ratje and Koelber have been sentenced to five years' imprisonment by a Mongolian court for espionage, according to a report recently received by the German Foreign Office. A Berlin telegram says the court's action is regarded as a breach of international law and the airmen's detention as illegal and the German Foreign Office has petitioned the Government in Urga for their pardon. The Soviet is said also to have interceded for Herr Koelber, who at present is in hospital.

Hu Shih-tse, Head of the Asiatic Affairs Department of the Ministry of Foreign Affairs and concurrently expert to the Sino-Soviet Conference at Moscow, is also negotiating unofficially with the Mongolian Ambassador at Moscow.

New Junkers Airplane Is Smashed in Accident

One German air pilot sustained injuries which may be fatal, when his Junkers plane crashed at the Ming Tombs Aerodrome August 22. The machine, which was one of a consignment of military airplanes ordered by the Aviation Administration of the Ministry of War from Germany, had reached Nanking only three days previously. The German pilot had ascended to a height of 50 feet when suddenly a whirring noise was heard from the right wing. After circling once over the aerodrome and as it neared the building of the Capital Reconstruction Commission, the right wing was completely severed from the plane, which immediately crashed down to the tennis court east of the Commission building.

Col. Lindbergh Arrives in Japan, Coming to China

Colonel Charles Lindbergh, accompanied by Mrs. Lindbergh, after many vicissitudes hopped off from a swamp on Kunashiri Island, in the Kuriles, where they landed the previous day in a fog, and safely landed August 24 at Nemuro, Hokkaido, Japan, after a 28 minutes flight. Upon landing by launch the distinguished visitors were received by the town-master of Nemuro, aviation officer Tanaka of the Communications Department, members of the American Embassy, and newspaper representatives. After resting for several days in Japan the Lindberghs will fly to China. Elaborate preparations are being made at Nanking to receive them.

American Arrested by Chapei Police, Released

H. L. Lightfoot, an American citizen residing in Chapei, was arrested by the Chinese Police following a complaint by a Japanese family that he had threatened them with a pistol. After being held for almost 24 hours, the police released him following protests by the U. S. Consular authorities. The police at first said they would release Lightfoot if he gave up his gun, but the latter stated that he didn't have one.

CHIANG KAI-SHEK RETURNS TO COMMUNIST FRONT—MADAME SUN YAT-SEN REITERATES POLITICAL VIEWS

(*Continued from page 500*)

Shanghai early in the present week alleging that Gen. Ho Chien, head of the Hunan provincial government, had declared his independence, apparently were not correct as a *Kuomin* report from Changsha on August 19 stated that practically all ranking military commanders in the province had attended a conference with Gen. Ho Chien where plans had been discussed for repelling a possible invasion of Kwangsi troops. The report stated that the Kwangtung and Kwangsi insurgent armies were scattered "aimlessly" along the Huangsha River and near Kiufeng on the Hunan-Kwangsi border and no fears were entertained regarding hostile movements. Gen. Chiang Kai-shek stated that in case of emergency five government divisions could be sent into Hunan from Kiangsi in short order. A further report from Nanking stated that Gen. Chiang Kai-shek had completed the construction of several air-bases in southern Chekiang and Fukien provinces.

FINAL STAGES OF ANTI-RED CAMPAIGN

A *Kuomin* report from Nanchang on August 24 following the return of Gen. Chiang Kai-shek (and Mrs. Chiang) to his headquarters stated that hundreds of reds were beginning to surrender to the Government forces. Gen. Chiang increased his rewards for the capture "dead or alive" of the four leading Communist leaders, Chu Te, Mao Tse-tung, Huang Kung-lueh and Peng Te-huai, from $50,000 to $100,000. The report stated that an attempt of the red-bandits to recapture Tungku had been repulsed with heavy loss to the outlaws and that other Communist remnants had been defeated in the vicinity of Yutu. It was stated that many of the red remnants were attempting to retreat to the Kiangsi-Hunan border. An earlier report stated that the last remaining red stronghold at Juichin on the Kiangsi-Fukien border had been surrounded. Another Communist attempt to recapture Hingkuo had also been repulsed.

EVENTS IN THE NORTH

Marshal Chang Hsueh-liang, Vice-Commander-in-Chief of the National Forces and controller of the situation in the North, departed from the Rockefeller Hospital in Peiping on Aug. 25 being completely cured of his recent serious attack of typhoid fever. He announced that he would shortly proceed to Mukden on an inspection trip following which he would visit the National Capital at Nanking in order to attend the 4th National Kuomintang Congress.

Gen. Hsu Yung-chang, acting chairman of the Shansi provincial government, notified Marshal Chang Hsueh-liang that the presence of Gen. Yen Hsi-shan, the late Shansi leader in Shansi province probably would not cause political complications due to the fact that Yen does not intend to involve himself in politics in the future. Gen. Hsu declared, "It really does not matter whether Yen Hsi-shan leaves the country or not....If he remains it will enable us to bring pressure to bear to prevent him from causing future political complications."

Practically all the leading military commanders in the North participated in a military conference in Peiping on Aug. 24, those attending including Gen. Fu Tso-yi, recently appointed head of Suiyuan province. Gen. Han Fu-chu, controller of the forces in Santung province also attended the meeting. Han Fu-chu reiterated his determination to cooperate in the preservation of peace in North China.

Marshal Feng Yu-hsiang, the former Kuominchun leader was reported on Aug. 22 (*Kuomin*) to have written a letter to Gen. Yen Hsi-shan wherein he declared that as he has no troops to command he intended to "go into the mountains, close the door and study....Being unarmed I will oppose nobody and expect nobody to oppose me."

WANG CHING-WEI ON "SICK-LEAVE" IN HONGKONG

Hongkong, Aug. 20, (2 P. M.)—The Canton "National Government" today issued a proclamation flatly rejecting Nanking's latest peace proposals. The proclamation declares that while Canton is desirous of peace, the political leaders connected with the Canton Movement are desirous of a "true and lasting peace," hence consider the recent propsals from Nanking as insincere and only made for the purpose of delaying Canton's military campaign into Kiangsi and Hunan provinces. It is declared that Gen. Chiang Kai-shek's mobilization of troops in Kiangsi province constitutes a menace to real peace, hence Canton demands Gen. Chiang's abdication.

In the meantime Ku Ying-fan, Sun Fo and Teng Tse-ju have replied to the peace telegrams of Chang Chi and Wu Tieh-chien, the Canton telegram maintaining Canton's previously announced position. The telegram was written in bellicose terms and follows the general line of the Government's proclamation which was issued this morning.

The Canton Council also voted to send $2,000,000 to Feng Yu-hsiang for the purpose of financing a further rebellion of Northern troops against Marshal Chang Hsueh-liang and the Central Government.

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Hongkong, Aug. 21, (9 P. M.)—Wang Ching-wei, leader of the Left Wing faction in the Kuomintang, who came to Hongkong from Canton a week ago announcedly on "sick-leave" has obtained a five-day extension of leave and is remaining in Hongkong. Gen. Chen Chi-tang, head of the Canton military, has sent several secretaries to Hongkong to confer with Wang, but the Left Wing leader announced today that he intended to remain here for several days longer in order to welcome Eugene Chen who is expected to arrive from Japan tomorrow. It was also announced that Eugene Chen, Wang Ching-wei, Gen. Chang Fa-kwei and other well known Leftists will hold a political conference in the British Colony in order to decide upon their future policy in respect to the present situation.

Eugene Chen is understood to have sent a telegram to the Canton leaders claiming that he has arranged for ten Japanese military experts to join the Canton Government in an advisory capacity in connection with the contemplated Northern advance. They are said to have been promised a monthly salary of Yen 1,000 each.

Gen. Chen Chi-tang has enlisted 10,000 new recruits from Kwangsi province, according to an announcement from Canton this morning.

The news received in Canton to the effect that Gen. Chen Ming-hsu is withdrawing his 19th Army from Kiangsi province, into Fukien has strengthened Canton's conviction that Nanking is making active plans for invading the East River District of Kwangtung from Fukien. It is stated that a situation of extreme tenseness prevails in the Swatow area.

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Hongkong, Aug. 22, (2 P. M.)—As a result of resentment felt by members of the Canton "National Government" over Gen. Chiang Kai-shek's alleged importation of German munitions and Nanking's employment of German military advisers, considerable anti-German sentiment has developed in the South. It was reported today that the Canton Chamber of Commerce, the Seamen's Union and other labor organizations are being urged by certain Canton officialdom to inaugurate a boycott of German goods in Canton.

A report from Canton today stated that Gen. Chen Chi-tang had decided to increase his army by recruiting 50,000 new soldiers. Previously it was announced that Gen. Chen had arranged to recruit 10,000 new troops in Kwangsi province.

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Hongkong, Aug. 22, (2 P. M.)—Eugene Chen, Minister of Foreign Affairs of the Canton "National Government" accompanied by Liu Chi-wan former Commissioner of Customs at Shanghai, arrived in Hongkong this morning from Japan. They traveled aboard the Japanese ship *Kitano Maru*. Mr. Chen refused to be interviewed upon his arrival at Canton and proceeded immediately to Canton by steamer.

Sun Fo arrived in Hongkong this morning and immediately held a conference with Wang Ching-wei, leader of the Left Wing who is in Hongkong on "sick leave."

It was stated that Wang Ching-wei will remain in Hongkong for the present and has asked for an extension of his leave.

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Hongkong, Aug. 23, (3 P. M.)—The reason for the Canton "National Government's" sudden animosity against Germany and the secret efforts of certain Cantonese officials to stir up an anti-German boycott in South China were explained today. According to the report, the Canton Government made a contract with a German firm in Canton for $1,000,000 worth of munitions of war and in accordance with the agreement, paid over $200,000 on the deal. However, when the German firm made inquiry in Berlin, it was informed by the German Government that no permit could be granted for the sale of arms and munitions except to the recognized Central Government at Nanking. When the Cantonese officials learned of this decision on the part of the German Government there was a sudden flare-up of anger in Canton with consequent threats of a boycott of German goods. In view of the circumstances the rumors regarding a boycott are not taken seriously and are only regarded as a bluff on the part of the aggrieved parties.

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Hongkong, Aug. 23, (3 P. M.)—A report from Canton current here today alleged that the Japanese Consul-General went aboard the Japanese steamer *Kitano-Maru* and welcomed Eugene Chen upon his return from Japan.

Liu Chi-wan, former Customs Commissioner at Shanghai, who accompanied Eugene Chen to Japan, declared in an interview today that the report alleging that he and Eugene Chen had been ordered to depart from Japan, was incorrect. Neither Chen nor Liu, however, have as yet issued any formal statement regarding the outcome of their conversations with Japanese officialdom in Tokyo.

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Hongkong, Aug. 24, (6 P. M.)—As a result of the action of the Canton Kuomintang in propagating anti-German propaganda, the boycott movement against German goods in South China appears to be spreading. Yesterday the Kuomintang called a meeting of representatives of the Chinese Chamber of Commerce and labor unions wherein several fiery speeches were delivered in denunciation of the Germans for selling large quantities of munitions to the Central Government at Nanking. The Germans also were denounced for permitting Gen. Chiang Kai-shek to employ a number of German military advisers in the Central Government's armies. The meeting was attended by some forty representatives of Chinese organizations including the chambers of commerce, merchants bodies and labor unions. Several resolutions were adopted denouncing Germany "for supplying Gen. Chiang Kai-shek with the deadliest weapons capable of unprecedented massacre of the Chinese people."

While the anti-German movement was not taken seriously at first, the recent action of the Kuomintang in taking the lead in the agitation, has created considerable tension and caused the movement to spread.

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Hongkong, Aug. 24, (6 P. M.)—Wang Ching-wei, leader of the Leftists in the Kuomintang, who has been in Hongkong for several days on "sickleave" is reported to have telegraphed the Canton "state council" that he has practically recovered from his recent illness and probably will return to Canton on next Monday, August 31.

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South China Morning Post, Hongkong, (Aug. 17)—Gen. Chang Wei-chang, commander of Canton aviation department announced the placing of orders for six more additional American-type bombing planes at a cost of G. $24,000 each and with speed of 240 miles....Gen. Chen Chi-tang announced he is sending Gen. Heung Hong-ping's 2nd Army and Gen. Cheng Shiu-kwei's 2nd Independent Division into Fukien to cooperate with Generals Liu Woo-tin, Chang Chen and Lu Hing-pong who have agreed to join Canton....Gen. Wong Tsai-wen arrives in Canton to report on conditions on Hunan border; Gen. Wong Ting-chen also arrives to report on situation at Lokchong....Canton sends Gen. Sun Pung-yung to North to negotiate for Northern support ....Canton makes further announcement rejecting peace offers except on basis of Gen. Chiang Kai-shek's resignation; Canton refuses to send peace delegates to Shanghai....Canton grants five day leave to Wang Ching-wei who suffers from influenza as result of overwork in drafting important governmental documents....Canton newspaper *Chun Wan Pao* in article stated Northern expedition will cost Canton $12,750,000; Canton Council asks Finance Ministry to raise sum immediately.... Mayor Ching Tien-koo of Canton announces plan to abolish "tax-farming" in order to raise more money, claims too much going for "squeeze,"....Canton's present receipts amount to $3,800,000 annually for Municipality of which $2,160,000 appropriated for education which does not leave sufficient for administrative purposes making a deficit of $500,000....Canton announces again that business tax must go into effect on Sept. 1; all firms ordered to report their capitalization.

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South China Morning Post, (Aug. 18)—Although Canton Commercial interests place great emphasis on peace nogotiations, Canton leaders such as Wang Ching-wei, Teng Tse-ju, Ku Ying-fan and Sun Fo maintain their position that Chiang Kai-shek must resign; Hsiao Fu-chang and Teng Tse-ju in interview declare that unless Chiang resigns, that Canton will wage war; Teng stated however, that Canton would be glad to welcome Chang Chi on peace mission; Teng stated that Wang Ching-wei and Hsu Chung-chi are both indisposed in Hongkong and that Gen. Chen Chi-tang is also ill of toothache, but all are expected to return to their duties shortly....Teng Tse-ju stated further that Canton possessed sufficient force to wage a successful war in the event Chiang does not resign....Canton report claims that Chiang Kai-shek has instructed Chang Chi and Wu Teih-chen to proceed to Canton immediately to discuss peace, but Canton will not discuss conditions until Chiang Kai-shek resigns....Canton claims Feng Yu-hsiang and Yen Hsi-shan are starting another "independence" movement in North....Wang Ching-wei's illness causes considerable uneasiness in Canton political circles, but hopes expressed he will return to his duties shortly; stated Wang being attended by German physician in Hongkong;....Canton Chamber of Commerce refuses responsibility for disposing of $30,000,000 Customs "prenium" bonds; Chamber willing to accept 10 percent of bonds on condition 30 percent be paid in former government loans; Government refuses Chamber's offer, but Chamber cannot accept further financial obligations.... Gen. Chen Chi-tang completes strong fortifications at foot of White Cloud Mountain and work started on excavation of long line of trenches surrounding Tai Woo Market and Shiu Ping suburbs; large quantities of bamboo used in staking front of threnches which protected by barbed-wire entanglements; further military supplies sent to Shiukwan and Sunkai on Canton-Shiukwan Railway; Gen. Chen Chi-tang orders construction of concrete fort at top of Hulushan at Poklo for guarding East River route to Canton; long trench also built from Poklo to Wei-chow; construction under supervision of Gen. Tsan Yu-jen....Several persons injured in Canton munition fire; details unstated.

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South China Morning Post, (Aug. 19)—Canton report states peace negotiations deadlocked resulting in following developments (1) Sun Fo makes speech denouncing Chiang Kai-shek; (2) Nanking appoints Gen. Chen Ming-hsu as "Pacification Commissioner" for Kwangtung; (3) Chiang Kai-shek's arrival in Shanghai for purpose of raising further war funds to fight Canton and Yen Hsi-shan; (4) Chang Chi's peace mission to Canton postponed....Four hundred Kuomintangists hear Sun Fo's speech denouncing Chiang Kai-shek, wherein Sun Fo said that if Chang Chi's peace mission to Canton failed to produce results that there was no need for Canton to pursue the question further; that Chiang's real purpose was to delay Canton's war preparations....Wang Ching-wei expected to return to Canton immediately to attend big military conference; stated Wang Ching-wei and Kwangsi generals decline to have anything to do with peace negotiations and attitude of Sun Fo, Hsiao Fu-cheng and Teng Tse-ju supposed to have strengthened stand of Kwangsi element against peace talk....Sun Fo regretted that Chiang Kai-shek's 300,000 troops had failed in the anti-Communist campaign, declared time had arrived for Canton to launch war against both Communists and Chiang Kai-shek....Report from Peking stated Chang Chi had decided not to proceed to Canton because Canton refused to send delegates to conference at Shanghai....Canton claims Chiang Kai-shek appointed Gen. Chen Ming-hsu as Pacification Commissioner of Kwangtung and Gen. Ho Ying-chin as Pacification Commissioner of Kiangsi is definite indication that Nanking intends to wage war on Canton; claimed Chen Ming-hsu moving his troops from Kiangsi to Fukien for pur-

pose of launching drive into eastern Kwangtung; districts of Kiangsi evacuated by Chen Ming-hsu will be occupied by Generals Tan Tao-yuan and Miao Ping-wan with loyal Nanking regiments....Canton alleges three divisions of Gen. Chiang's anti-red army have advanced from Kwangchang to Tingchow with the object of invading Kwangtung from Fukien....Canton complains that foreign vessels ignoring Swatow regulations regarding entrance into that port....Canton Finance Ministry decides to issue $15,000,000 of Customs "premium" bonds immediately; rumor also current that Canton will issue $5,000,000 in "big-money notes at once; notes to be printed in Hongkong....Japanese *Rengo* message from Shanghai published in Hongkong alleges that conditions in the North are still critical; that Shih Yu-shan's force is practically intact; and Han Fu-chu's position in Shantung is "insecure;" claimed that Nanking and Marshal Chang Hsueh-liang planning to squeeze Han Fu-chu out of Shantung; but Han Fu-chun trying to strengthen his position by taking over troops of Shih Yu-shan; that Han Fu-chu will make alliance with Northwestern troops against Chiang Kai-shek.

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South China Morning Post, (August 20)—Canton paper, *Wah Kiu Yat Po*, states that while Cantonese leaders probably will not change their demands for abdication of Gen. Chiang Kai-shek from his military posts, that Nanking has recently made new peace proposals to effect that Canton-Nanking troubles be settled at a specially called meeting of the Kuomintang National Congress; stated Nanking has issued formal invitations to Hu Han-ming, Wang Ching-wei and all former Commissioners of C. E. C. and Central Supervisory of first, second and third plenary sessions to participate in government....Report from Shanghai by *Rensha* service stated Chiang Kai-shek, H. H. Kung, T. V. Soong and Madame Sun Yat-sen and other high Party leaders held conference in Shanghai on Canton trouble and that Gen. Chiang and Madame Sun Yat-sen sent telegrams to Wang Ching-wei, Ku Ying-fan and Sun Fo urging the Canton leaders to put the welfare of the Party before their own political considerations; stated Gen. Chiang also held conference with military commanders Chu Pei-teh, Chang Chun and others following which Gen. Chiang departed immediately for Kiangsi....Canton issued declaration defining "True Peace" as meaning the elimination of Chiang Kai-shek and the Communists....Canton sends Chan Shu-yen, member of Council to Hongkong to interview Wang Ching-wei....Stated Feng Chu-wan, supporter of Kwangsi party, may be appointed Finance Minister at Canton in place of Lin Yun-chieh who has resigned....Canton enlists 7,000 recruits in Kwangsi....Gen. Chang Wei-chang, head of Canton aviation department, plans construction of airdrome at Whampoa....Gen. Chen Chi-tang promises officers and men of 19th Route Army $60,000 monthly "from his private purse" ....Claimed Brig.—Gen. Chan Tieh-kin of 77th Division under Gen. Lo Lin in Kiangsi has joined Canton....Gen. Chen Chi-tang recovers from "tooth-ache" and attends meetings of Canton Council....Canton claims that Nanking airplane was shot down by 4th Group Army Corps at Yungchow and pilot killed....Canton definitely decides to enforce cigarette monopoly as means of raising military funds; cigarette dealers refuse to order new supplies as result of controversy and prices advance.

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South China Morning Post, (August 21)—Wang Ching-wei, leading Leftist, member of Canton "Council" who is now in Hangchow due to illness, issued long statement on his plans for inaugurating "district-autonomy" political system, declaring system must be strictly controlled and directed by the Kuomintang Party....Canton dispatch quotes Tsou Lu, leader of Western Hills faction as saying that an alliance between Yen Hsi-shan's Shansi faction and Northwestern Kuominchun troops is certain; result Tsou Lu's report Canton Finance Ministry ordered to remit $1,000,000 to Yen Hsi-shan immediately and another equal sum as soon as conditions warrant; claimed North western militarists have sufficient arms bur are short of funds and soon as money available rebellion will be started....Canton report claims that Gen. Chiang Kai-shek is making active preparations for advance from Fukien into eastern Kwangtung....Canton report alleges Gen. Chiang Kai-shek has employed 100 German chemists to manufacture poison gas for use in war against South....Canton again postpones issuance of $30,000,000 Customs "Premium" bonds to Aug. 25 or possibly September 1, due to the work of printing the bonds not being completed....Wang Ching-wei asks for further leave of absence due to illness....Canton paper *Chun Wan Yat Pao* publishes report that sum of $300,000 which was in possession of late Kan Woon-cheung, former treasurer of Chungshan district, is missing; claimed money was in Kan's house at Macao at time of explosion of Macao forts, but could not be found in the wreckage; Canton Government demands that Portugese officials find the money and return it.

New York Police and Gunmen Imitate Shanghai Happenings

(The following Reuter message from New York appeared in the Shanghai nawspapers on August 23).

Broadway was the scene of a most amazing battle late this afternoon, when more than a hundred police chased a gang of gun-men in taxi-cabs up-town.

The gangsters, were fleeing from the scene of a pay-roll hold-up in the course of which they seized $4,600 after murdering two policemen in cold blood. They were chased up Broadway for two miles until at last a huge lorry was driven across the path of their taxi-cab and they found themselves trapped. It is estimated that more than a thousand shots were fired during the battle in the course of which three of the gun-men and two of the police were killed while 10 bystanders were wounded, including a four-year-old girl and her father and mother. The girl was shot in the head and was rushed to hospital in a critical condition.

G. Burton Sayer Is Entertained at Luncheon

G. Burton Sayer, for many years editor of the *Shanghai Times*, and some forty other Shanghai journalists were entertained at luncheon at the Cathay Hotel, August 26, by E. A. Nottingham, propietor of the *Times*, on the occasion of Mr. Sayer's retirement to become director of publicity for the Shanghai Municipal Council. Short speeches were made by Mr. Nottingham, E. Haward, editor of the *N. C. D. News*, and Mr. Sayer. Every publication in Shanghai was represented and the guests included many nationalities, including Japanese and Chinese.

Wuhu Magistrate Discusses Ownership of Mission Property

Following a prolonged controversy between Mr. Yu, the Wuhu district magistrate, and the Roman Catholic churches in that area, regarding the ownership of land, he has written to the Anhwei provincial government for instructions. The magistrate points out that "through negligence on the part of the Chinese authorities foreign firms, hospitals, churches and schools have been built in places other than the Concession. Strictly speaking this must not be allowed, but since they have been built with the knowledge of, and without interference from, our Chinese authorities, it is difficult to determine what measures should be adopted."

Englishmen to Advise on China's Educational System

A Geneva telegram says that the English language is evidently destined to become the medium of education in China for some time to come. A noted English economist, R. H. Tawney, is a member of a mission of European professors chosen to study the organization of the Chinese educational system, which is now in its way to the Far East. The mission was appointed at the request of the Chinese Government by the League of Nations committee on intellectual co-operation, and another Englishman, Captain Frank Walters, of the League Secretariat, is attached to it as special adviser.

Further Credits to the Bank of England so as to Support Sterling

Financial circles in London August 24 stated that the Bank of England's £50,000,000 credit extended only recently by the Bank of France and the New York Federal Reserve Bank is almost exhausted. The credit had been used in maintaining the parity of the pound sterling. Negotiations have been opened for a further credit for the Bank of England.

IN THE FIELDS OF FINANCE AND RECONSTRUCTION

(*Continued from page 517*)

Tokyo Issues Official Returns on Sino-Japanese Trade During June

The following official returns on Sino-Japan trade during the month of June, released through the *Rengo* News Agency, were issued by the Finance Department of the Japanese Government:

Export District	July 1931	July 1930
Manchuria & Mongolia	1,111,000	1,751,000
North China	6,048,000	5,777,000
Central China	12,234,000	11,538,000
South China	443,000	386,000
Total	19,836,000	19,452,000
Kwantung	6,974,000	4,967,000
Hongkong	3,882,000	3,679,000
Grand Total	30,692,000	28,098,000
Excess of Export	16,366,000	12,363,000
Import		
Manchuria & Mongolia	1,500,000	3,130,000
North China	2,913,000	3,026,000
Central China	3,833,000	3,786,000
South China	623,000	979,000
Total	8,869,000	10,921,000
Kwantung	5,452,000	4,749,000
Hongkong	5,000	65,000
Grand Total	14,326,000	15,735,000

Local Welfare Leaders Plan Huge Reformatory for Beggars

Under the leadership of Mrs. Herman C. E. Liu, Yu Ya-ching and John C.H.Wu, a movement has been launched to build a $1,000,000 reformatory in Shanghai to teach beggars useful trades. The proposed project is the outcome of a recent meeting of a group of public welfare workers interested in the scheme held at the residence of Dr. Wu, at which Mrs. Liu was asked to formulate the details of the project and to indicate the approximate cost of the plant. According Mrs. Liu's report to Dr. Wu, a sum of $1,000,000 seems necessary to cover the cost of the proposed project and a yearly budget of $180,000 will be required to meet running expenses. The plant should be capable of accommodating at least 1,000 beggars, as this figure has deen decided upon as the maximum figure of existing beggars in Shanghai. Mrs. Liu anticipates three large dormitories, two factories and a large school, all to be located on about 200 mow of land somewhat on the arrangement of a college campus. The institution should be partially self-supporting. All the proceeds from the industrial phase of it are to be used as endowments and scholarships to worthier graduates of its schools. It is to be governed by a board of directors made up of representatives of organizations engaged in social welfare work. Among the groups expected to participate are: the Chinese Ratepayers' Association, the Chinese General Chamber of Commerce, the National Child Welfare Association, the W. C. T. U., the Chinese Red Cross, the National Vocational Educational Association, the Shanghai Employment Bureau, the Child Psychology League and two other Chinese chartitable organizations. The project is purely a private undertaking, but contributions from Government Organizations will of course also be welcomed and their support solicited. The five Chinese Councillors on the Shanghai Municipal Council have pronounced themselves in favor of the scheme and are taking active part in its realization. The movement to clear Shanghai of beggars was started nearly ten years ago in 1922 by the W.C.T.U. under the initiative of Mrs. Liu who has been chairman of that institution. In 1925, a committee was formed by the institution to investigate the beggar problem in China, to urge the Government to wipe out the begging evil altogether, to create a public sentiment and to open a modern institution as an illustration of what could be done. During the intervening years between 1925 and the present year, the scheme has made intermittent progress and the present project of building a $1,000,000 reformatory represents the nearest realization of the scheme. It is hoped that the begging evil in Shanghai may be gradually completely eliminated and the beggars be given an opportunity to be trained into useful citizens and contribute their share to the community.

Plans for Agricultural Research Bureau Near Completion, Love Reports

Dr. H. H. Love, agricultural advisor to the Ministry of Industries, well-known American crop expert, in a letter to Minister H. H. Kung, states that plans have been made for the creation of a Central Bureau of Agricultural Research in China and are being gradually carried out. Dr. Love reports that since his arrival in China in April, he has been concentrating his attention on the crop improvement program he has outlined for the provinces of Kiangsu and Chekiang. He says he has already inspected the work of several experimental stations. On August 5 he went to Hangchow to study the cotton and rice experiments. He will shortly submit to the Ministry of Industries a comprehensive report upon completion of his observations and will also make recommendations relative to the plans for the improvement of the agricultural research of the two provinces. In the course of the letter, Dr. Love also stresses the importance of training of investigators and reports that a most successful three weeks institute in crop improvement held at the University of Nanking was just closed. More than ninety Chinese representatives from various schools and experimental stations were registered in the class, fourteen of whom were sent by Chekiang and Kiangsu. Dr. Love further states that plans have been formed to hold a special institute during the winter and he wishes to allow a longer period for the existence of the institute. Representatives from various provinces will be invited, if facilities for accommodation permit, Dr. Love concludes.

Reserves of Central Bank of China Checked by Supervisors

The Supervisory Committee of the Central Bank of China held its 98th examination of the Bank reserves against note issue in circulation on August 10 and issued the following result of the examination:

Total Amount of Dollar Notes and Subsidiary Coin Notes in Circulation:	
Dollar Notes	$33,940,809.00
Subsidiary Coin Notes	2,388,394.00
	$36,329,203.00
Reserves Against Dollar Notes and Subsidiary Coin Notes in Circulation:	
Cash Reserve	$23,727,523.00
(Of the above sum $16,157,592.00 is kept in Shanghai Office, the balance $2,549,865.00 is kept in Branches and Sub-branches, $5,020,066.00 is kept in Local Banks.)	
Securities Reserve	12,601,680.00
	$36,329,203.00
Total Amount of Custom Gold Unit Notes in Circulation:	
C. G. U. Notes	C.G.U. 1,000,000.00
Reserves Against Custom Gold Unit Notes in Circulation:	
G.$400,000.00 deposited with Local Banks at .40	C.G.U. 1,000,000.00

Government's Attitude Toward Opium Is Explained

In the course of a debate on the proposed revision of the Regulations governing the Control of Narcotic Drugs Chen Chang-heng, member of the Legislative Yuan, made the following statement at a recent meeting:

"In view of the misapprehension prevailing among the public that under the disguise of regulating and controlling narcotics, the Government is actually carrying out a system of opium-monopoly, this Yuan, in submitting the revised Regulations to the National Government, should make it clear that the purpose of the Regulations is solely to limit the use of narcotics to medical and scientific purposes, and that the Administrative Authorities should not be allowed to abuse these regulations for the enforcement of a Government opium-monopoly."

Endorsing the proposal, President Shao Yuan-chung said that in the revision of the Regulations, an endeavor should be made to see that there are no loopholes in the Regulations which may possibly be taken advantage of for the enforcement of an opium-monopoly.

Latest New York Stock Exchange Quotations

Market: Easy — **Business Done 1,700,000 Shares August 26**

1930-1931 High	1930-1931 Low	Div.$ perSh.	STOCKS	Mon. Aug. 24	Tues. Aug. 25
23½	11⅛	1.00	Adams Express	13⅞	13¾
82¾	102¾	*6 00	Allied Chemical & Dye	110½	108¼
142¾	18⅜	2.00	Allis Chalmers	24¼	24⅛
129¾	89⅞	4.00	American Can	91¾	89⅝
51¾	21¼	—	American & Foreign Power	28	28⅜
31½	11	—	American & For. Power W.	15⅝	16
58½	24⅜	2.00	American Smelting	30½	30
201¾	156½	9.00	American Tel. & Tel.	169⅞	169¾
132¾	102⅛	*5.00	American Tobacco "B"	1:3¾	111½
80¾	40⅜	3.00	American Waterworks	47	Unq.
43¼	18¾	1.50	Anaconda Copper	24¼	23⅞
87⅞	43½	5.00	Baltimore & Ohio	44	43⅞
70⅜	33¼	2.00	Bethlehem Steel	38⅞	38⅞
76½	47	*3.00	Borden Company	57⅝	58
30¾	14½	1.00	Borg Warner	18½	19
45⅜	21⅜	1.25	Canadian Pacific Railway	21⅜	20⅝
131½	52⅛	6.00	Case J. I.	61	60½
54⅛	27½	3.00	Chesapeake Corp	34¼	34¼
25¾	12½	1.00	Chrysler	22	22
20⅝	9¼	*.30	Cities Service, Co.	10⅝	10½
45⅞	20⅝	2.00	Columbia Gas & Electric	29½	29⅛
16⅝	6	.75	Columbia Graphaphone	7¾	7¾
12	6⅞	.40	Commonwealth & Southern	8	8
2¾	1⅜	—	„ warr.	1½	1½
109⅝	82⅛	4.00	Consolidated Gas. of N. Y.	92½	92⅜
12	5	—	Continental Oil	10⅛	10
86⅝	55⅜	*3.00	Corn Products	64¾	64½
5⅞	2⅛	—	Curtiss Wright Co.	3	2⅞
78¾	61½	4.00	Drug Incorporated	73⅞	73½
107	71	4.00	Du Pont de Nemours	84	83
185¾	118	*5.00	Eastman Kodak	139½	138
61	31⅛	6% S	Electric Bond & Share	36¾	36⅜
38⅜	11⅝	2.50	Fox Film "A"	13⅝	13⅛
51¾	36	1.60	General Electric	40⅞	40⅛
56	43	3.00	General Foods	50¼	Unq.
48	31⅛	3.00	General Motors	35½	35⅜
84⅛	42	5.00	General Railway Signal	Unq.	44
38¾	19½	—	Gillette	19½	19¼
42½	21	2.50	Gold Dust	27¾	27½
20⅝	8¼	—	Goodrich Rubber	11⅞	12
52¾	30⅝	3.00	Goodyear Tire & Rubber	40¼	40¼
22⅝	10	1.00	Granby	11¼	Unq.
26	11	1.00	Hudson Motors,	12¾	12⅞
62½	27¾	4.00	International Cement	Unq.	31
4	1¼	—	International Combu. Eng.	1⅝	Unq.
60½	37½	2.50	International Harvester	37⅞	37½
20½	9½	.60	International Nickel	13	12¾
38¾	18¾	2.00	International Tel. & Tel.	28	27⅞
80¾	40⅝	3.00	Johns Manville	49⅝	49
31½	14¾	1.00	Kennecott	17	16⅞
27¾	16¼	1.61	Kreuger & Toll	16¼	16⅛
91¾	60½	*4.00	Liggett & Myers, "B"	68¾	66¼
63½	36⅛	3.00	Loew's: Inc	47⅛	47¾
21¼	11⅜	—	Lorillard P Co. (com.)	17	16⅜
19	8⅛	—	Ludlum Steel	11½	12⅛
29¼	15¾	—	Montgomery Ward	20¾	20⅞
40⅞	20	4.00	Nash Motors	25¼	25¼
14¾	6⅛	1.00	Nevada Consolidated Co.	8⅛	8
132¼	69	6.00	New York Central	69	69⅛
11	4⅜	—	North American Aviation	7¾	7⅜
54⅞	38	2.00	Pacific Gas & Electric	46	46½
11⅞	5¼	.40	Packard Motor	6½	6⅜
50¼	19⅝	2.50	Paramount—Publix Corp	23	23¼
64	38⅝	3.00	Pennsylvania Railroad	38⅝	38¼
8½	4⅞	.20	Pennroad Corporation	5⅛	5¼
16⅝	4¾	—	Phillips Petroleum	8½	8⅝
96½	72	3.40	Public Service of N. Jersey	79¾	79⅞
27½	12	—	Radio Corporation	19⅝	19½
24½	11¼	—	Radio-Keith Orpheum	14⅛	14⅜
53	40⅜	3.00	Reynolds Tobacco "B"	48¾	48
63¼	44⅞	*2.50	Sears Roebuck	56	56⅛
10¼	4½	—	Shell Union	6⅛	6
23⅜	10⅛	—	Simmons Company	14⅞	15⅛
54½	36	2.00	Southern California Edison	43⅜	43
20½	14⅞	1.20	Standard Brands	18⅞	18¾
88⅜	55⅛	3.50	Standard Gas & Electric	62¼	62½
52½	30⅝	*1.00	Standard Oil of N. Jersey	40⅜	40½
26½	13⅞	1.60	Standard Oil of New York	19⅜	19⅝
36¼	18	2.00	Texas Corporation	26¼	26⅝
55¾	29⅛	3.00	Texas Gulf Sulphur	34	34¼
18	6⅜	.40	Trans America	7⅛	7⅛
72	43½	2.60	Union Carbide & Carbon	49	49
205⅛	137	10.00	Union Pacific Railway	141	140
38⅞	20⅞	—	United Aircraft & Transp't	27⅞	27½
31¼	16⅛	.75	United Corporation	22	22
37½	25⅜	1.20	United Gas Improvement	29	28¾
20⅝	10⅛	—	U.S. Rubber	13	13
152⅜	83⅛	4.00	U.S. Steel	87⅛	87⅜
76¾	23⅛	—	Vanadium	26¾	27
20⅜	4¾	—	Warner Bros. Pictures	8⅛	8
107¾	56⅛	4.00	Westinghouse E. & M.	Unq.	62¾
72⅝	54⅜	2.40	Woolworth	69¾	69
*plus extras			Call Money	1½%	1½%

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The "Bad Chinese" and Their Dinosaur Eggs

(The New Orleans, La., Item)

Roy Chapman Andrews is refused permission to explore further in China and Inner Mongolia. A Chinese licensing commission has refused to grant him an interview. He construes this as "indicating that they do not desire to co-operate with foreign scientists, and it may be interpreted as insulting the great museum I represent." That is the American Museum of Natural History. The Chinese also tell their side of the story. Dr. Andrews, they say, has been intolerably arrogant in asserting his right to wander over China, picking up whatever he thought might have scientific value. The Chinese thus indicate that they are tired of being deprived of their possessions of this sort.

To that Dr. Andrews retorts that such an attitude is unprecedented. It isn't.

Whether or not Dr. Andrews has been arrogant we don't know. But the Chinese have precedent for stopping him. The Egyptian government has made lots of trouble for delvers into the tombs of the Pharaohs. No expedition gets into Egypt for this purpose except after much parleying. To get out of the country with the finds is another job.

All of this raises the question of a country's right to its own dinosaur eggs, mummies, carved waterjars and toilet trinkets of dead centuries. On the face of it, that right would seem above challenge. It would be entertaining to see what would happen if a party of learned Chinese undertook to dig up and cart off the sacred codfish of Massachusetts for shipment to a Chinese Museum of Natural History.

Drug Traffic Slackens, But Illicit Shipments to Far East Continue

There was a marked decrease in world narcotic production, last year, according the report of the General Opium Board which was submitted to the League of Nations at Geneva last week.

The decrease in production applies to all narcotics and drugs with the exception of heroin. The production of morphine products in 1929 was 121,763 lbs., which figure was reduced by 46,033 lbs in 1930. Cocaine production dropped from 12,000 lbs. in 1929, 11,000 lbs. in 1930.

Britain, Switzerland Italy, the United States and Japan all showed decreases in production in 1930, but Germany and France showed considerably increased production. Statistics are incomplete for the reason that neither Turkey nor Russia submit figures to the League.

Discrepancies between Turkey's alleged exportation to certain countries and the import figures of these countries as submitted to the Board indicate that tremendous amounts of narcotics are going into illicit traffic, particularly to the Far East. As an illustration of the enormous demand for drugs for illicit traffic the report says an inquiry was recently received from Japan by firms in London for the shipment of 1,400 kilograms of heroin to Shanghai.

Exchange Circular for the week ending Wednesday, 19th August, 1931.

The prospect of a Budget deficit of £ 120 million has caused the assembling of the Cabinet of the British Government to take measures to balance it as soon as possible. The financial situation though grave is described as sound.

The Bank of England discount rate remains at 4½%. In China the news from Hankow reveals an appalling flood condition misery, and impoverishment on a very large scale, the extent of which at present cannot yet be estimated. The market this week has been steady, but lifeless.

Silver:—Opened on the 13th inst. at 12⅝d, for spot and forward, and G. $.0.27¾, and closes today 12 1/16d. and G. $. 0.27¼ China and America have been reported as small sellers, and India has bought. Featureless and practically idle market

The market the whole of this week, until yesterday afternoon, has remained practically unchanged, with a minimum, of business transacted: Variations have been so slight they are not of sufficient importance to detail. Rates can be set down as 1/3 7/8d. for near and 1/3 9/16d. forward, and G. $ 29 5/8 for T/T on London and New York: 4 m/st Credits 1/2 13/16d. and G. $.30 1/8. and later 1/2 7/8d. and G. $.30: Yen 168 to 169.

This morning the market opened steady to firm at 1/2 9/16d. and G. $.29 7/8d. and shortly 1/2 5/8d. and G. $.29 9/16 became available: but at this point easiness prevailed, and we quote at closing at noon as follows:—T/T on London 1/2 9/16d. New York 29 1/8, 4 m/s Credits 1/3d. and G. $.30 1/8, Yen 167½, Gold Bars 783.50

Our stocks of silver are reported as follows:—

Sycee and Bar Silver ... ... Tls. 79,837,000 a decrease of Tls. 1,070,000
Chinese and Mexican Dollars $ 179,710,000 an increase of $1,350,000
Estimated value Tls. 209,228,000 as against Tls. 223,106,000 held at this time last year.

†	Average rates for July	Thursday Aug. 13	Friday Aug. 14	Saturday Aug. 15	Monday Aug. 17	Tuesday Aug. 17	Wed. Aug. 19
Bank's selling rates		*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*
T/T on London	1/3.125	1/2 3/8	1/2 3/8	1/2 3/8	1/2 3/8	1/2¼	1/2 3/8
D/Dfts ,,	—	1/2 3/8	1/2 3/8	1/2 3/8	1/2 3/8	1/2¼	1/2 3/8
4 m/s ,,	—	1/2 7/16	1/2 7/16	1/2 7/16	1/2 7/16	1/2 5/16	1/2 7/16
T/T on India	84,840	80¾	80¾	80¾	80¾	80	80¾
T/T on France	780,120	742	742	742	742	736	742
T/T on N.Y.	30,585	29⅛	29⅛	29	29	28⅞	29⅛
T/T on Demand		29⅛	29⅛	29	29	28⅞	29⅛
T/T on Hamburg R. M.		122½	123	123	123	121½	122½
T/T on H'kong	80.110	80½nom.	80½nom	80½nom.	80½nom.	80¾ nom.	80½nom.
T/T on Japan	161 560	170	170	170	170	17 1/4	170
T/T on Batavia	75 940	72¼	74¼	72¼	72¼	71½	72¼
T/T on Straits	183 600	193	193	198	193	195	193
Bk's buying rates 4 m/s B/L. Cred. &D/A	1 4.	1/3¼	1/3¼	1/3¼	1/3¼	1/3⅛	1/3¼
4m/s B/L D/P	—	1/3⅜	1/3⅜	1/3⅜	1/3⅞	1/3¼	1/3⅜
6m/s ,, B/L Cred&D/A	1/4.250	1/3½	1/3½	1/3½	1/3½	1/3⅜	1/3½
4m/s B/F Cred D/A or D/P	826 800	790	790	790	790	785	790
4m/s N.Y.Lc	32.335	30⅞	30⅞	30¾	30¾	30⅝	30⅞
4m/s ,, Docs	—	31⅛	31⅛	31	31	30⅞	31⅛

†Based on Daily Official quotation, higher rate taken on rising Market, lower when falling.	Aug. 13	Aug. 14	Aug. 15	Aug 17	Aug. 18	Aug. 19
Bullion.						
*London Price of Bar Silver per oz. (English Standard 925 touch) Pence	12 5/8	12 5/8	12 5/8	12 5/8	12 5/8	12 11/16
**New York Price of Bar Silver per oz. (Pure)	G.$ 27¼	G.$ 27⅜	G.$.27⅜	G.$.27⅜	G.$.27⅜	G.$.27¼
Shanghai Price of Gold Bars (weight Tls. 10 (Chauping) 978 touch)	Tls. 783.50	Tls. 771.20	Tls. 778.50	Tls. 787.8	Tls. 784.50	Tls 783.5
Shanghai Silver Bars (weight Tls. 100 (Canton) 999 touch)	Tls. 112.50	Tls. 112.50	Tls. 112.50	Tls. 112.50	Tls. 112.50	Tls 112.50
Shanghai Mexican Dollars per $100	Tls. 72.5375	Tls. 72.5375	Tls. 72.5375	Tls. 72.5375	Tls. 72.5375	Tls. 72.5375
Native Bank Rate of Interest (Call money)	3%	4%	3½%	4%	4%	3%
*Closing Price in London for Previous day						
**Closing Price in New York for Previous day						

Bank of England rate of discount	4½%	London on Paris	T/T 123 92
Bank of France rate of discount	2 %	New York on London	T/T 4.85 7/8
London open Market of Dis. 3 m/s	14 1/4 %	Bombay on London	T/T 1/5 3/4
,, ,, 4 ,,	4 1/4 %	Hongkong on London	T/T 1/1 11/16
,, ,, 6 ,,	4 7/8 %	Kobe on London	T/T 2/0 23/64

FEARON, MAITLAND and SHAW

The National City Co. Gold Bond Quotations Received From Head Office

August 20, 1931.

SECURITY	RATE & DATE DUE	Price	Approx Yield%
The National City Bank of New York	Stock	79	—
City of Antwerp	5 % Dec. 1, 1958	101	4.93
Argentine Government	6 % May 1, 1960	73	8 53
Canadian National Railway Co.	5 % Oct. 1, 1969	106¼	4.62
Chile Government ..	6 % Jan. 1, 1961	30	—
City of Vienna	6 % Nov. 1, 1952	78½	8.16
City of Yokohama ..	6 % Dec. 1, 1961	99⅝	6.03
German General Electric (A. E. G.)	6 % May 1, 1948	66¼	10.14
German Central Bank for Agriculture.. ..	6 % Apr. 15, 1938	68⅜	11.88
Greek Government ..	6 % Feb. 1, 1968	85	7.16
Japanese Government	6½% Feb. 1, 1954	107	5 93
Kingdom of Italy.. ..	7 % Dec. 1, 1951	100	7.00
Lautaro Nitrate Co., Ltd.	6 % July 1, 1954	28¼	—
Nord Railway Co. ..	6½% Oct. 1, 1950	105½	6.09
Norwegian Hydro-Elec. Nitrogen Corp.	5½% Nov. 1, 1957	95	5.88
Oriental Development Co.	5½% Nov. 1, 1958	94½	5.91
Paris - Lyons - Med. Railroad Co.	7 % Sept. 15, 1958	105	6.60
Republic of Costa Rica (Pacific Rwy.)	7½% Sept. 1, 1949	68	—
Republic of Finland ..	5½% Feb. 1, 1958	74	7.85
Republic of Peru	6 % Dec. 1, 1960	16½	—
Rhine Westphalia Electric Power Corp. w.w.	6 % Aug. 1, 1953	63¼	10.23
Saxon Public Works ..	6½% May 1, 1951	57⅜	—
Saxon State Mortgage Institution	6½% Dec. 1, 1946	58	—
Toho Electric PowerCo. Notes (Japan)	6 % July 1, 1932	99½	6 53
Tokyo ElectricLightCo. (Japan)..	6 % June 15, 1953	84¼	7.47
Ujigawa ElectricPower Co. (Japan)	7 % Mar. 15, 1945	100½	6 94
U. S. of Brazil	6½% Oct. 1, 1957	47½	—
Anaconda Copper Mining Co.	Common Stock	24⅞	—
Baltimore & Ohio Railroad Co.	Common Stock	47	—
Belgian National Rway. Pcptg. Pfd. Stock ..	6 % (Amn Shares)	77	—
Pennsylvania Railroad Co.	Common Stock	40	—
Standard Oil Co. of New York	Common Stock	20¾	—
United Aircraft and Transport Corp. ..	Common Stock	28⅛	—
Vacuum Oil Co.	Common Stock	51	—
Chicago Rapid Transit Co.	6½% July 1, 1944	61½	—
CubanDominicanSugar Corp.	7½% Nov. 1, 1944	9½	—
Pennsylvania - Dixie Cement Corp. ..	7 % Cum. Pfd. Stock	10	—
State of Minas Geraes Series "A"	6½% Sept. 1, 1959	32½	—

QUOTATIONS RECEIVED FROM LONDON OFFICE

Republic of China Gold Loan	5 % 1925	76	—
Chinese Govt. Re-org. (£) Loan Stamped ..	5 % 1913/60	66½	—
Chinese Govt. Re-org. (£) Loan Unstamped	5 % 1913/60	64½	—
Chinese Govt. (Crisp Loan)	5 % 1912	43	—
ShanghaiNanking Railway	5 % 1904/08	43½	—
Shanghai Hangchow Ningpo Railway ..	5 % 1908/38	79	—
Hukuang Railway ..	5 % 1911/1951	26½	—
TientsinPukowRailway	5 % 1908/09	19	—

NOTE: The above quotations are received by cable and whilst believed to be correct, are not guaranteed.

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What the Ships Carry between America and China

Return of the Shanghai Customs

Pls.—1 Picul or 133 1/3 pounds; Bls.—Bales; Pcs Pieces; Mille—thousands;

SUNNANVIK, June 26.

(Agents: Melchers & Co.)

From U. S. of America.

Antifriction Metal	*Pls.*	190
Iron and Steel, Ungalvanized:		
Bar Ends	,,	1,610
Tinned Plates Plain	,,	930
Iron and Steel, Galvanized:		
Wire Shorts	,,	3,213
Paper, Bond	,,	78
,, Cover	,,	44
,, Chipboard	,,	3,140
,, Printing	,,	87
,, Writing	,,	24
Tobacco, Leaf	,,	1,488
,, Prepared	,,	10
Machines, Sewing	*Pcs.*	202
Baking Powder	*Doz.*	347
Cigarettes	*Mille*	400
Oil, Lubricating, Mineral	*Galls.*	2,500
Motor-cars Parts of	*G. Units*	3,862

KURAMA MARU, June 27.

Agents: Rioka Soko Kabushiki Kaisha.

From U. S. of America.

Cotton, Raw:			
American	*Bls.* 450	*Pls.*	1,577
Gum Resin		,,	4,525
Tobacco, Leaf		,,	7,160

HOKUROKU MARU, June 29.

(Agents: Osaka Shosen Kaisha.)

From U. S. of America.

Cotton, Raw	*Bls.* 300	*Pls.*	1,050
Iron and Steel, Ungalvanized:			
Sheets		*Pls.*	53
Tinned Plates, Old		,,	91
Wire Rope, Old		,,	186
Indigo Paste, Artificial:			
20 per cent strength		,,	3,640
50 ,, ,,		,,	348
Indigo Grains Artificial:			
60 per cent. strength		,,	91
Milk, Condensed		,,	38
Sulphur Black		,,	81
Tobacco, Leaf		,,	18,769
Rubber Tires:			
For Motor cycles		*Pcs.*	25
Rubber Inner Tubes:			
For Motor cycles		,,	20
Motor-cars		,,	6
Ciarges		*Mille*	41
Dyes, Aniline	*Pkgs.* 768	*G. Units*	68,986
Machinery, and Parts of		,,	59,471

FERNBANK, June 29.

(Agents: O. Thoresen & Co.)

From U. S. of America.

Cotton Raw	*Bls.* 5,450	*Pls.*	13,812

PRESIDENT LINCOLN, June 30.

(Agents: Robert Dollar Co.)

To U. S. of America.

Silk, Raw, Reeled from Doupions:			
Shanghai	*Bls.* 10	*Pls.*	10
Tea, Black, other kinds, Kiukiang		,,	95
Tea, Green:			
Gunpowder, Ningpo		,,	415
Young Hyson, Hangchow		,,	14
Egg Albumen, Dried		,,	1,189
,, Yolk, Dried		,,	1,326
,, Whole Egg, Dried		,,	2,193
Skins, Kid, Plates		*Pcs.*	2,547
,, Lamb, ,,		,,	770
,, Dog, Tanned		,,	377
,, Lamb, ,,		,,	800
,, ,, Untanned		,,	700
,, Weasel Untanned		,,	6,000
Skin Mats, Kid		,,	2,825
,, ,, Lamb		,,	1,055

PRESIDENT CLEVELAND, June 30.

(Agents: Robert Dollar Co.)

From U. S. of America

Copper Ingots		*Pls.*	419
Cheese		,,	8
Flour, Wheat		,,	331
Ink, Printing		,,	206

EMPRESS OF RUSSIA, July 4.

(Agents: Canadian Pacific S.S. Co. Ltd.)

To U. S. of America.

Silk, Raw, Steam Filature:			
White, Shanghai	*Bls.* 10	*Pls.*	10.04
Silk, Raw, Reeled from Doupions:			
Shanghai		*Pls.*	39.01
Silk Pongees, Honan		,,	0.59
Bristles, Assorted		,,	6
Egg Albumen Dried		,,	42
,, Yolk, Dried		,,	267
Chinaware, Fine		,,	128
Skins, Weasel, Untanned		*Pcs.*	4,851

GERTRUDE MAERSK, July 4.

(Agents: Melchers & Co.)

To U. S. of America.

Wool, Sheep's		*Pls.*	169
Skins, Lamb, Untanned		*Pcs.*	1,000
,, Weasel, ,,		,,	26,000

THURLAND CASTLE, July 4.

(Agents: Dodwell & Co.)

From U. S. of America.

Grease		*Pls.*	469
Ink, Printing		,,	67
Starch		,,	1,039
Tobacco, Leaf		,,	12,135
,, Stalk		,,	1,546
Machines, Sewing		*Pcs.*	6
Oil, Lubricating Mineral		*Galls.*	8,116
,, Kerosene, in Case		,,	50,480

FOYLEBANK, July 6.

(Agents: Lacey & Cannan, Ltd.)

From U. S. of America

Iron and Steel, Galvanized:			
Wire Shorts		*Pls.*	600

BELLINGHAM, July 6.

(Agents: States S. S. Co.)

From U. S. of America.

Flour, Wheat		*Pls.*	1,664
Timber, Ordinary, Sawn, Softwood		*Sup. ft.*	500,170

PRESIDENT GARFIELD, July 6.

(Agents: Robert Dollar Co.)

From U. S. of America.

Cotton, Raw	*Bls.* 1,000	*Pls.*	3,500
Aluminium Sheets		,,	86
Canned Asparagus		,,	26
,, Fruits		,,	59
Coffee		,,	10
Hides, Cow		,,	188
Ink, Printing		,,	62
Newspapers, Old		,,	945
Oranges, Fresh		,,	974
Oats, Rolled		,,	11
Soap, Palmolive		,,	19
Sulphur Black		,,	196
Lemons, Fresh		*Pcs.*	3,750
Machines, Sewing		,,	6
Motor-cars		,,	3
Rubber Tires, Pneumatic:			
For Motor Cars & Trucks		,,	40
Cotton Singlets		*Doz.*	44
Varnish		*Galls.*	266
Chocolate		*Lb.*	144
Motor-cars, Parts of		*G. Units*	5,207
Machinery, and Parts of		,,	65,913

ADEN MARU, July 7.

(Agents: Rioka Soko Kabushiki Kaisha.)

From U. S. of America.

Tobacco, Leaf		*Pls*	27,560

EMPRESS OF JAPAN, July 8.

(Agents: Canadian Pacific S.S. Co. Ltd.)

From U. S. of America.

Bronze Powder		*Pls.*	101
Cobalt, Oxide of		,,	4
Milk, Evaporated		,,	219
Oats, Rolled		,,	17
Rubber Tires:			
For Motor-cars		*Pcs.*	57
Artificial Silk and Cotton Underwear		*Doz.*	41

PRESIDENT JACKSON, July 8.

(Agents: Robert Dollar Co.)

To U. S. of America.

Silk, Raw, Steam Filature:			
Yellow, Chungking	*Bls.* 10	*Pls.*	9.76
Silk, Raw, Reeled from Doupions:			
Shanghai	*Bls.* 10	*Pls.*	9.68
Silk Piece Goods		,,	1.40
Tea Black, other kinds, Hankow		,,	278
Egg Albumen, Dired		,,	390
,, Yolk, Dried		,,	389
Antimony Regulus		,,	840
Brassware		,,	11
Bristles, Assorted		,,	118
Feathers Goose		,,	51
Hair, Human		,,	186
Intestines, Pig, Salted		,,	16
Oil, Wood		,,	458
Seed, Sesamum		,,	1,680
Wool, Sheep's		,,	166
Skins, Goat, Untanned		,,	1,120
Soapstoneware		,,	19
Tails, Horse		,,	74
Kittysols		*Pcs.*	721
Hats, Hemp		,,	7,200
Skins, Lamb, Untanned		,,	1,800
,, ,, Plates, Tanned		,,	50
Skin Mats, Kid		,,	3,250
,, ,, Sheep		,,	208

BINTANG, July 8.

(Agents: East Asiatic Co.)

From U. S. of America.

Cotton, Raw	*Bls.* 8,566	*Pls.*	29,864

DANWOOD, July 8.

(Agents: Canadian Trading Co.)

Timber, Softwood:			
Merchantable		*Sup. ft.*	915,407
Ordinary, Sawn		,,	1,600,735

PRESIDENT McKINLEY, July 10.

(Agents: Robert Dollar Co.)

From U. S. of America.

Cotton, Raw	*Bls.* 800	*Pls.*	2,800
Hemp Twine		,,	3
Steel, Tool		,,	8
,, Structural		,,	301
Canned Asparagus		,,	26
,, Awabi		,,	242
,, Fruits		,,	23
Borax		,,	840
Oranges, Fresh		,,	108
Paper, Bond		,,	179
,, Printing (Woodfree)		,,	37
Milk Sugar		,,	38
Oil, Lubricating, Mineral		*Galls.*	3,340
Lemons, Fresh		*Pcs.*	84,500
Rubber Tires, Pneumatic:			
For Motor-cars		,,	201
Rubber Inner Tubes:			
For Motor-cars		,,	186
Typewriters		,,	21
Shoes		*Pairs*	1,668
Dyes, Aniline	*Pkgs.* 440	*G. Units*	20,827
Machinery, and Parts of		,,	16,131

FRANCE MARU, July 10.

Agents: Rioka Soko Kabushiki Kaisha.

From U. S. of America.

Gum Resin		*Pls.*	4,618
Tobacco, Leaf		,,	22

TAIYANG July 11.

(Agents: Robert Dollar Co.)

From U. S. of America.

Motor-cars		*Pcs.*	6
Rubber Tires:			
For Motor-cars		,,	223
Machines, Sewing		,,	11
,, ,, Old		,,	100
Iron and Steel, Galvanized:			
Sheets, Plain		*Pls.*	329
Ink, Printing		,,	9
Tobacco, Leaf		,,	20,336
,, Prepared		*Lb.*	533

TOKAI MARU, July 13.

(Agents: Osaka Shosen Kaisha.)

To U. S. of America.

Tea, Green, Gunpower, Hangchow, etc		*Pls.*	34
Antimony Regulus		,,	420
Bristles, Assorted		,,	39
Feathers, Goose		,,	58
Nutgalls		,,	420
Oil, Tea Seed		,,	389
Oil, Wood		,,	894
Skins, Goat, Untanned		,,	666
,, Hare		*Pcs.*	20,000
,, Lamb		,,	6,000
,, Weasel		,,	21,100

NORDANGER, July 13.

(Agents Standard Oil Co.)

From U. S. of America.

Oil, Lubricating, Mineral		*Galls.*	344,981

OREGON July 16.

(Agents: States S. S. Co.)

To U. S. of America.

Bristles, Assorted		*Pls.*	100

In All Parts of China and the Far East

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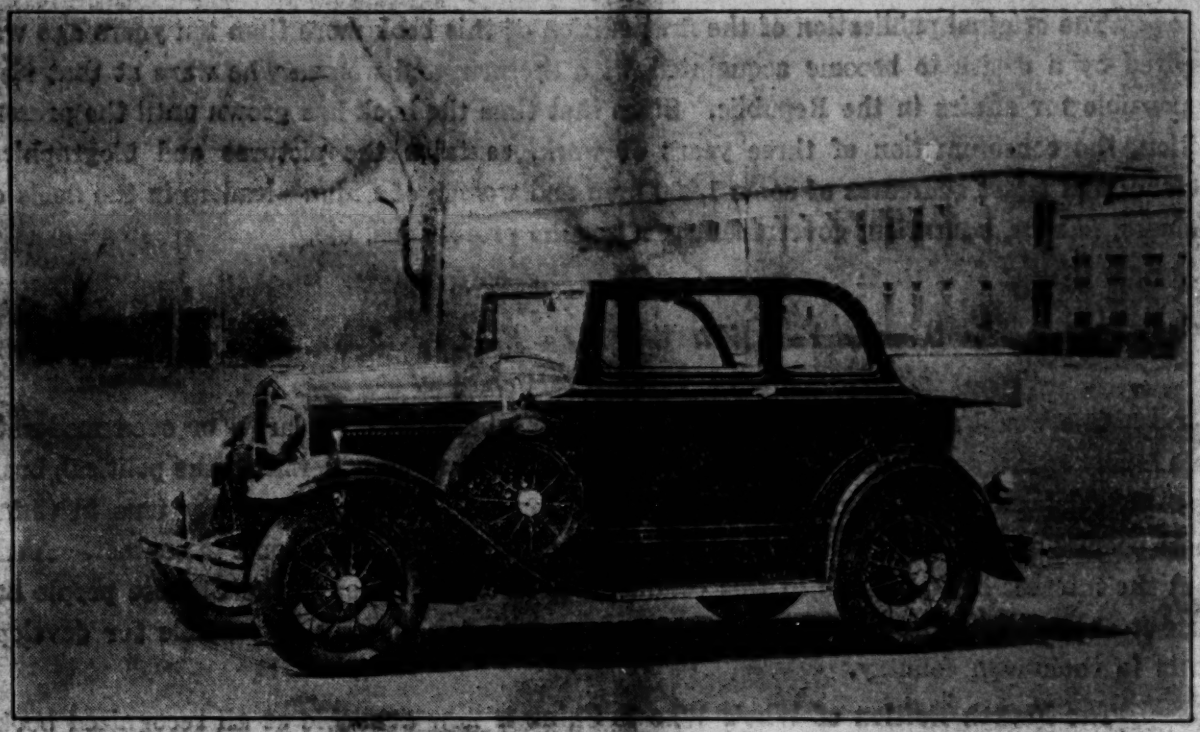

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